LIVE Interview with CNBC's "Squawk Box"
Wednesday, May 25, 2011
8:00 AM -8:05 EST (5m min televised interview)

NAMES: **Carl Quintanilla and Joe Kernen**

LOCATION: White House North Lawn

STAFF: Brendan Gilfillan, 202-590-0335

TOPICS: Fuel Economy Labels

FORMAT: LIVE TV interview

ABOUT CARL QUINTANILLA: Carl Quintanilla is an Emmy award-winning co-anchor of "Squawk Box," (M-F, 6-9 a.m. ET) CNBC's signature morning program.

Previously, Quintanilla was an NBC News correspondent based in New York and Chicago, appearing regularly on "Today" and "NBC Nightly News with Brian Williams." In 2005, he spent weeks in New Orleans as part of the "Nightly News" team coverage of Hurricane Katrina, for which he won a national Emmy Award, an RTNDA Edward R. Murrow award, and broadcast's highest honor, the Peabody Award.

ABOUT JOE KERNEN: Joe Kernen is co-anchor of "Squawk Box," (M-F, 6 -9 a.m. ET) CNBC's signature morning program. "Squawk Box" is a fast paced, irreverent look at the world of Wall Street, and the longest running program on the network. Kernen is based in CNBC's global headquarters in Englewood Cliffs, N.J.

Prior to his anchoring duties, Kernen was CNBC's On-Air Stock Editor and was featured throughout the Business Day on CNBC.

TAPED Interview with FOX Business Network
Wednesday, May 25, 2011
8:10 AM -8:15 EST (5m min televised interview)

NAMES: **Peter Barnes**

LOCATION: White House North Lawn

STAFF: Brendan Gilfillan, 202-590-0335

TOPICS: Fuel Economy Labels

FORMAT: TAPED TV interview

ABOUT PETER BARNES: Peter Barnes joined FOX Business Network (FBN) in September 2007. He serves as FBN's senior Washington correspondent.

Until 2004, Barnes served as the Washington bureau chief and correspondent for television station group Hearst-Argyle. He has also worked at numerous business programming outlets, including TechTV from 2001 to 2003, where he was the Washington bureau chief.

Barnes served as an anchor and Washington correspondent for CNBC from 1993 to 1998. In 1996, he anchored Capitol Gains, an election year weekday morning show on business, economics and politics.

LIVE TO TAPE Interview with MSNBC
Wednesday, May 25, 2011
8:20 AM -8:25 EST (5m min televised interview)

NAMES: **Dayside Correspondent TBD**

LOCATION: White House North Lawn

STAFF: Brendan Gilfillan, 202-590-0335

TOPICS: Fuel Economy Labels

FORMAT: LIVE TO TAPE TV interview

MATERIALS:

- Fuel Economy Labels Topline Messages (p. 5)
- Fuel Economy Labels Fact Sheet (p. 6)
- Fuel Economy Press Release (p. 12)
- Fuel Economy Press Call Remarks (p. 14)
- Fuel Economy Labels - Q & A on the Letter Grade (p. 16)

EPA/DOT FUEL ECONOMY LABEL TALKING POINTS

- The President has made clear that we will continue to be focused on protecting consumers over the long term - which is why the President announced a bold goal of reducing imports by a third by 2025 - through increased production, investing in alternative fuels, and increasing efficiency in the vehicles we drive - something the Administration made a priority from the beginning as underscored by today's announcement.
- The Administration has taken unprecedented steps to save consumers money at the pump – through focusing on safe, responsible domestic production, investing in and developing alternative fuels, and most importantly increasing efficiency in the vehicles we drive, as represented through the historic, national fuel economy-greenhouse gas reduction rule for passenger cars and trucks achieved under the President's leadership.
- When the President took office, one of the first steps he took was to direct DOT and EPA to make the development of new fuel efficiency standards a priority – leading to the historic clean cars program and the next generation of cleaner, more efficient cars.
- With these new generation hybrid and electric vehicles, comes a new generation of fuel economy labels.
- Today we are unveiling new fuel economy labels that will reflect the savings consumers will see thanks to increased efficiency.
- In addition to helping consumers assess vehicle fuel costs and make informed decisions when buying a new car, we believe these new labels will reduce our gasoline consumption.
- These new labels are the latest step in the Obama Administration's efforts to reduce fuel costs for American families, to reduce the nation's dependence on oil, and to give Americans the tools they need to take advantage of the fuel savings more efficient vehicles offer
- The new labels unveiled today will:
    - For the first time ever, provide consumers with an estimate of how much money they will save or spend on fuel costs over 5 years compared to an "average new vehicle."
    - Establish a 10 point scale to allow consumers to quickly judge where a vehicle rates in terms of both fuel economy and greenhouse gas pollution.
    - And, feature a QR Code that will allow car buyers to do comparison shopping on the go. Shoppers will be able to use smartphones to scan the QR code on a label to store that vehicle's information, compare the vehicle to others, and access a website for more information.
- Car shoppers will be armed with the most powerful informational tools yet to make the best decision for their families, their wallets and the air we breathe.

On what else the Administration is doing:

- The new energy labeling rule is a companion to the national fuel economy-greenhouse gas emission reduction program for passenger cars and trucks built in model years 2012-2016 vehicles.
- In addition, in July DOT and EPA plan to finalize the first-ever national fuel economy and greenhouse gas emission standards for commercial trucks, vans and buses built in 2014 to 2018, saving hundreds of millions of additional barrels of oil.
- The Administration also is developing the next round of the national fuel economy/GHG rule for passenger cars and trucks built in model years 2017-2025 and expects to announce the proposal in September 2011.

New Fuel Economy and Environment Labels for a New Generation of Vehicles

Why New Label Designs?

The U.S. Department of Transportation joined with EPA today in unveiling new fuel economy and environment labels that, for the first time ever, highlight the increased efficiency standards achieved under the Obama Administration that will save families money at the pump starting this year. The new labels, which are the most dramatic overhaul in the history of the fuel economy label, will provide more comprehensive fuel efficiency information and five-year fuel costs or savings compared to the average vehicle, as well as environmental impact information.

The new labels underscore the benefits of the historic passenger car and light truck fuel economy and greenhouse gas emissions rule adopted under this administration in 2010 by the EPA and DOT, working closely with a wide array of stakeholders. The rule, which includes increased efficiency for vehicles in model year 2012 through 2016, will save 1.8 billion barrels of oil over the life of the program, while saving the average consumer $3,000.

The redesigned Fuel Economy and Environment Label will provide the public with new information on vehicles' fuel economy, energy use, fuel costs, and environmental impacts. For the first time, comparable fuel economy and environmental ratings will be available for all new vehicles, including advanced technology vehicles such as electric cars. Starting with model year 2013, the improved fuel economy labels will be required to be affixed to all new passenger cars and trucks – both conventional gasoline powered and "next generation" cars, such as plug-in hybrids and electric vehicles. Automakers may also voluntarily adopt the new labels earlier for model year 2012 vehicles.

Specific features on the new Fuel Economy and Environment Label include:

- New ways to compare energy use and cost between new-technology cars that use electricity and conventional cars that are gasoline-powered.
- Useful estimates on how much consumers will save or spend on fuel over the next five years compared to the average new vehicle.
- Easy-to-read ratings of how a model compares to all others for smog emissions and emissions of pollution that contribute to climate change.
- An estimate of how much fuel or electricity it takes to drive 100 miles.
- Information on the driving range and charging time of an electric vehicle.
- A QR Code®[1] that will allow users of smartphones to access online information about how various models compare on fuel economy and other environmental and energy factors.

In addition, a new interactive tool at www.fueleconomy.gov will allow drivers to enter their zip code and estimate the greenhouse gas emissions from charging and driving a plug-in hybrid or electric car where they live. The site www.fueleconomy.gov also enables drivers of all types of vehicles to enter personalized information like local gas prices along with individual driving habits to get best possible cost and energy-use estimates.

EPA and NHTSA conducted extensive research to inform the development of this new label. This includes reviewing input from an expert panel, focus groups, public hearings, and more than 6000 public

[1] QR Code is registered trademark of DENSO WAVE INCORPORATED.

comments. For more information on how the new label were developed, see www.epa.gov/otaq/carlabel/regulations.htm

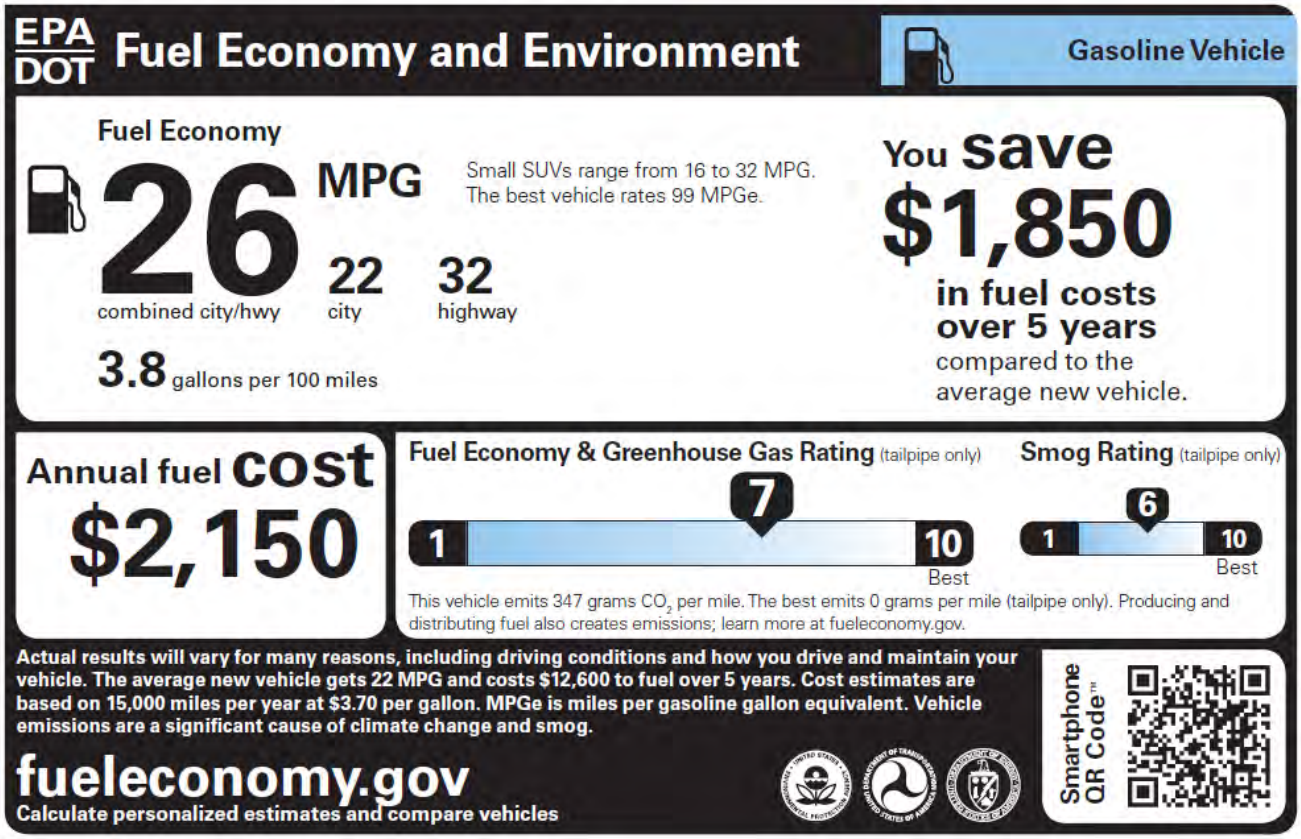
What Information Will I See on the New Labels, and How Can It Help Me?

Labels for gasoline and diesel vehicles (see figure 1) will include:

- **Fuel Economy**: Miles per gallon (MPG) estimates. The combined City/Highway estimate is the most prominent to allow quick and easy comparison to other vehicles.
- **Comparable Fuel Economy**: Information to compare the vehicle's fuel economy to other vehicles in the same category (e.g., among all small SUVs) and to find out the highest fuel economy among all vehicles.
- **Fuel Consumption Rate**: The estimated rate of fuel consumption, in gallons per 100 miles, for combined city and highway driving. Unlike MPG, consumption relates directly to the amount of fuel used, and thus to fuel expenditures.
- **Fuel Economy and Greenhouse Gas Rating**: One-to-ten rating comparing the vehicle's fuel economy and tailpipe carbon dioxide (CO_2) emissions to those of all other new vehicles, where a rating of 10 is best.
- **CO_2 Emissions Information:** Tailpipe CO_2 emissions in grams per mile for combined city and highway driving and the emissions of the vehicle with lowest CO_2 emissions.
- **Smog rating**: A one-to-ten rating based on exhaust emissions that contribute to air pollution.
- **Fuel Costs**: An estimate of how much more (or less) the vehicle will cost to fuel over five years relative to the average new vehicle, as well as its estimated annual fuel cost.
- **Web site URL:** The web site, *www.fueleconomy.gov,* provides additional information and tools that allow consumers to compare different vehicles.
- **Smartphone interactive tool**: A symbol (also known as a QR Code®[2]) that smartphones can read to reach a website that will provide additional and customizable information about the vehicle.

[2] QR Code is registered trademark of DENSO WAVE INCORPORATED.

Figure 1. New Label — Gasoline Vehicles



<u>Labels for advanced technology vehicles will include:</u>

- **Driving Range**: Identifies how many miles EVs (electric vehicles), PHEVs (plug-in hybrid electric vehicles), FCVs (hydrogen fuel cell vehicles), and CNG (compressed natural gas) vehicles can drive before recharging or refueling.[3]
- **Charge Time**: Identifies the amount of time it takes to charge EV and PHEV batteries.
- **Different Modes**: Some vehicles, such as PHEVs, may have two or more different operating modes – such as all-electric, blended gas and electric, and gasoline-only. The labels will provide certain information for different operating modes.
- **Fuel Economy:** The label shows fuel economy for advanced technology vehicles in miles per gallon of gasoline-equivalent (MPGe). A gallon of gasoline-equivalent means the number of kilowatt-hours of electricity, cubic feet of CNG, or kilograms of hydrogen that is equal to the energy in a gallon of gasoline.
- **Energy Consumption Measurement**: Fuel consumption is expressed as a unit of fuel purchased (e.g., kilowatt-hours) per 100 miles.

Additional consumer information and tools associated with the new labels are available at:www.fueleconomy.gov

[3] Vehicle manufacturers may voluntarily include E85 range information on the labels for ethanol flexible fuel vehicles.

Figure 2. New Label — Electric Vehicles

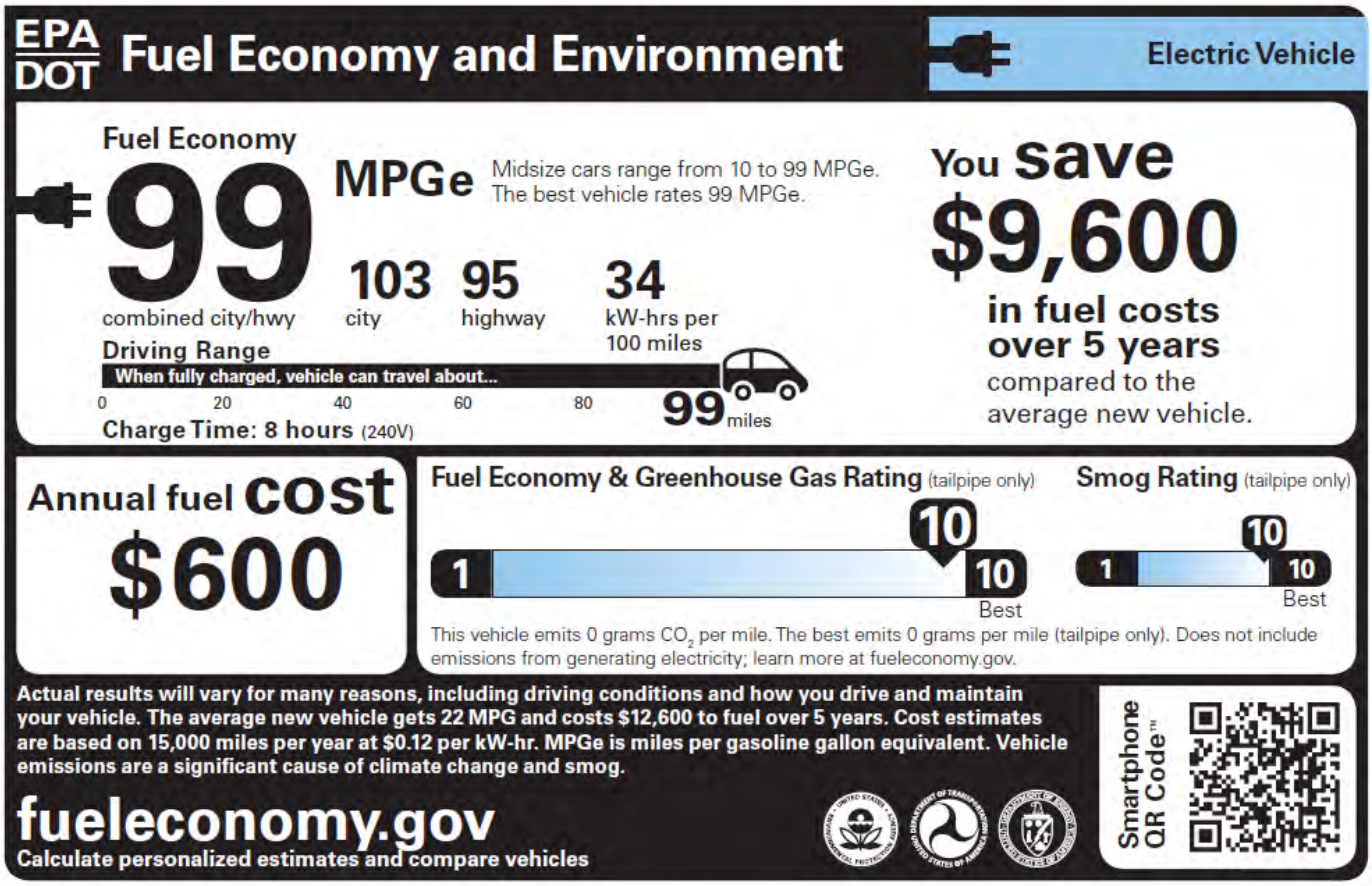
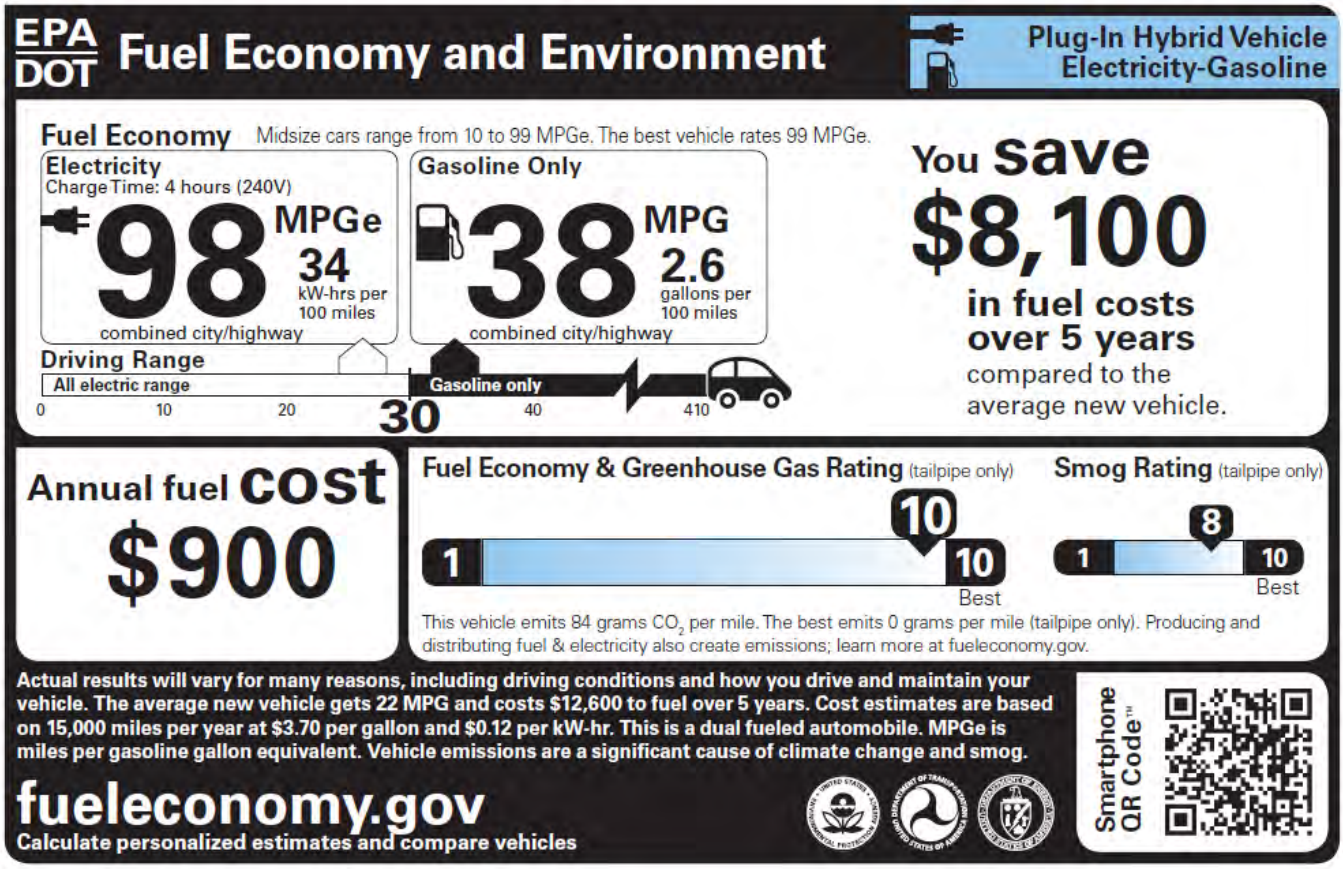


Figure 3. New Label — Plug-In Hybrid Vehicles[4]



<u>Labels for advanced technology vehicles will include:</u>

- **Driving Range**: Identifies how many miles EVs (electric vehicles), PHEVs (plug-in hybrid electric vehicles), FCVs (hydrogen fuel cell vehicles), and CNG (compressed natural gas) vehicles can drive before recharging or refueling.[5]
- **Charge Time**: Identifies the amount of time it takes to charge EV and PHEV batteries.
- **Different Modes**: Some vehicles, such as PHEVs, may have two or more different operating modes – such as all-electric, blended gas and electric, and gasoline-only. The labels will provide certain information for different operating modes.
- **Fuel Economy:** The label shows fuel economy for advanced technology vehicles in miles per gallon of gasoline-equivalent (MPGe). A gallon of gasoline-equivalent means the number of kilowatt-hours of electricity, cubic feet of CNG, or kilograms of hydrogen that is equal to the energy in a gallon of gasoline.
- **Energy Consumption Measurement**: Fuel consumption is expressed as a unit of fuel purchased (e.g., kilowatt-hours) per 100 miles.

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[4] Label shown is for a PHEV that operates solely on electricity until the battery is depleted and then on gasoline. To see an example label for the other type of PHEV, see www.epa.gov/xxxx

[5] Vehicle manufacturers may voluntarily include E85 range information on the labels for ethanol flexible fuel vehicles.

Additional consumer information and tools associated with the new labels are available at:www.fueleconomy.gov

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EPA, DOT Unveil the Next Generation of Fuel Economy Labels

New information underscores increased efficiency, fuel savings achieved under the Obama Administration's historic national car rule

WASHINGTON – The U.S. Department of Transportation and the U.S. Environmental Protection Agency today are unveiling new fuel economy labels that will help consumers take advantage of the increased efficiency standards achieved under the Obama Administration that will save families money at the pump starting this year. The new labels, which are the most dramatic overhaul to fuel economy labels since the program began more than 30 years ago, will provide more comprehensive fuel efficiency information, including estimated annual fuel costs, savings, as well as information on each vehicle's environmental impact. The new labels underscore the benefits of the historic, bipartisan passenger car and truck fuel economy rule adopted under this administration by the EPA and DOT in 2010.

These improvements will give consumers better, more complete information to consider when purchasing new vehicles that are covered by the increased fuel economy standards. Starting with model year 2013, the improved fuel economy labels will be required to be affixed to all new passenger cars and trucks – both conventional gasoline powered and "next generation" cars, such as plug-in hybrids and electric vehicles.

Upon taking office, President Obama directed DOT and EPA to prioritize the development of new fuel efficiency and greenhouse gas emissions standards, resulting in the historic standards that will be represented by these new labels. This is the latest step in EPA's and DOT's joint efforts to improve the fuel economy and environmental performance of vehicles and to provide consumers with useful information to inform their purchasing decisions.

The 2010 fuel economy rule, developed with input from major automakers, environmental groups, and the states, will dramatically increase the energy efficiency of cars and trucks built in model years 2012 through 2016, saving 1.8 billion barrels of oil over the life of the program and the average consumer $3,000 in fuel costs.

In July, the Administration plans to finalize the first-ever national fuel economy and greenhouse gas emission standards for commercial trucks, vans and buses built in 2014 to 2018. These standards are expected to save hundreds of millions of barrels of oil over the life of the vehicles covered and promote the development and deployment of alternative fuels, including natural gas. The Administration is also developing the next generation of joint fuel economy/greenhouse gas emission standards for model year 2017-2025 passenger vehicles and expects to announce the proposal in September 2011.

The new labels announced today will help consumers take advantage of the new, more energy efficient fleet, allowing them to save money at the pump. Consumers will see the new labels in showrooms early next year, when 2013 models begin arriving. Automakers may also voluntarily adopt the new labels earlier for model year 2012 vehicles.

"President Obama's work to shape a Clean Cars program is fostering a marketplace of cutting-edge American vehicles that are more fuel efficient than ever before. The EPA and DOT are creating a new generation of fuel economy labels to meet the needs of a new generation of innovative cars," said EPA Administrator Lisa P. Jackson. "Today's car buyers want the best possible information about which cars on the lot offer the greatest fuel economy and the best environmental performance. The new labels provide comprehensive information to American car buyers, helping them make a choice that will save money at the gas pump and prevent pollution in the air we breathe."

"Our new fuel economy and environmental labels are a win for automobile consumers and for the nation's energy independence," said U.S. Transportation Secretary Ray LaHood. "These labels will provide

consumers with up front information about a vehicle's fuel costs and savings so that they can make informed decisions when purchasing a new car."

Broadcast quality video and audio of Secretary LaHood and Administrator Jackson discussing today's fuel economy label announcement is available for download via the following links:
Video:
Audio:

The new labels will for the first time provide:

- New ways to compare energy use and cost between new-technology cars that use electricity and conventional cars that are gasoline-powered.
- Useful estimates on how much consumers will save or spend on fuel over the next five years compared to the average new vehicle.
- Easy-to-read ratings of how a model compares to all others for smog emissions and emissions of pollution that contribute to climate change.
- An estimate of how much fuel or electricity it takes to drive 100 miles.
- Information on the driving range and charging time of an electric vehicle.
- A QR Code®[6] that will allow users of smartphones to access online information about how various models compare on fuel economy and other environmental and energy factors. This tool will also allow consumers to enter information about their typical commutes and driving behavior in order to get a more precise estimate of fuel costs and savings.

The new labels are required by the Energy Independence and Security Act of 2007.

Consumers can get more information on the new label at www.fueleconomy.gov

More information on the new label can be found at www.epa.gov/otaq/carlabel/index.htm and www.nhtsa.gov/fuel-economy .

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[6] QR Code is registered trademark of DENSO WAVE INCORPORATED.

YOUR Fuel Economy Labels PRESS CALL Talking Points
May 25, 2011

- Hello and thank you for joining us.
- When President Obama took office, one of the first steps he took was to direct DOT and EPA to make the development of new efficiency standards a priority.
- This is part of a concerted effort to not only clean up our environment but to help consumers struggling with rising gas prices.
- We are focusing on safe, responsible domestic production…investing in and developing alternative fuels…and most importantly increasing efficiency in the vehicles we drive.
- We know that reducing our consumption and reducing demand for foreign oil is the best way to also reduce that upward pressure on fuel prices. That is why we are happy to see a new generation of fuel efficient, innovative cars rolling off the lines in American facilities.
- With the growing number of hybrid cars, plug-in hybrids and electric vehicles, the current fuel economy labels that every car buyer is familiar with have become outdated.
- A new generation of cars requires a new generation of fuel economy labels. I'm proud to unveil today our new fuel economy label.
- This is the most significant redesign of the fuel economy label in 30 years. These labels still offer the same vital information as before about estimated city and highway mileage estimates.
- But we have added new categories that are important to today's car buyers who are comparing a wide variety of different kinds of vehicles.
- This is the first time that comparable fuel-economy and environmental ratings will be available for all new vehicles including advanced technology vehicles like electric cars.
- For the advanced technology vehicles, these labels will give estimates of how much fuel or electricity it takes to drive 100 miles, and information on the driving range and charging time of electric vehicles.
- For the first time ever, the fuel economy labels will offer consumers pollution emissions ratings for green house gases and smog, with easy-to-read comparisons to other models.

- For the first time ever, the new label will feature a QR – or quick response – code for smartphone users. By downloading a QR reader app to their smartphones, shoppers can scan the label and store vehicle information in order to compare the vehicle to others.

- Pretty soon, they will also have the option to visit a website for even more consumer-friendly information.

- And last but certainly not least, these labels provide, for the first time ever, estimates on how much money drivers will save in fuel costs over five years of driving.

- In short, these new labels will be one of the most powerful consumer information tools that car buyers have ever had at their disposal. They will be empowered to make the best decision for their families, for their budgets and for our environment.

- We will also be working through the website www DOT fueleconomy DOT gov to provide consumers with more information, including localized information about gas prices and more.

- We look forward to seeing these revised labels for new cars and light trucks in dealer showrooms when the 2013 models begin to go on display next year. We could even see them earlier if automakers voluntarily adopt the new labels for model year 2012 vehicles.

- To strengthen our economy, to help save drivers money at the gas pump, and to safeguard our environment, President Obama has made cleaner, innovative and fuel efficient vehicles a priority of this administration.

- We're taking another step today that will help put more of these cars on the road, and move us ahead into a secure energy future.

- Thank you very much.

FUEL ECONOMY LABELS Q & A – Dropping the Letter Grade

Why don't the new labels have the letter grade? Did the agencies submit to pressure from the auto manufacturers or other interest groups?

We have put forward a system on the new labels that rates vehicle models numerically on fuel economy from one to ten. You'll know up front if you're getting a perfect 10 or very high number -- or if you're not. Our sole guiding principle in designing the labels was to make them as consumer friendly as possible in order to encourage energy cost savings. Of the thousands of public comments we received on the proposal options for the labels, people were split right down the middle on keeping the letter grade. So to be responsive to all commenters, and to best serve new-car shoppers, we developed and are using a 1-to-10 rating system that provides consumers with information that they can easily understand, use and appreciate.