Remarks Prepared for Ronald Medford, Deputy Administrator National Highway Traffic Safety Administration National Association of Trailer Manufacturers and National Marine Manufacturers Annual Trailer Roundup Washington, DC April 24, 2012

Good morning and thank you for inviting me to speak today. I want to begin by giving you an update on the Administration's fuel economy objectives, an overview of NHTSA's current initiatives on vehicle safety issues, and then next steps in vehicle safety that are emerging from advanced technologies.

At NHTSA, we approach the future with a consistent emphasis on safety and innovation that plays out across a variety of issues. On the one hand, we are focused on driver behavior, which remains a determining factor in most crashes. At the same time, we are taking the vital next steps in automobile research that will help us fulfill the extraordinary potential of emerging technologies.

Let me focus first on the goal of increasing fuel economy, a game-changing national effort that is high on the Obama Administration's agenda.

In July 2011, President Obama announced an historic agreement with 13 major automobile manufacturers to increase fuel economy to an estimated 54.5 miles per gallon equivalent for cars and light-duty trucks by Model Year 2025, if all of the improvements are made with fuel economy-increasing technologies. After three decades without significantly raising fuelefficiency requirements, NHTSA and the Environmental Protection Agency have developed the first-ever national program that harmonized fuel economy and greenhouse gas standards for light-duty vehicles for model years 2012 through 2016.

Under those standards, we estimate that passenger cars and light trucks would be required, on average, to increase from 27.6 miles per gallon in 2011 to 34.1 miles per gallon in 2016.

We have also proposed fuel efficiency and greenhouse gas emissions standards through model year 2025. DOT and the EPA worked closely with auto manufacturers, the state of California, environmental groups, and other stakeholders to ensure that the standards we proposed

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will be achievable, cost-effective, and preserve consumer choice.

NHTSA's proposal will increase the stringency of standards for passenger cars by an average of over four percent each year for Model Years 2017 through 2025. Standards for pick-ups and other light-duty trucks would increase an average of nearly three percent annually for the first five model years and an average of over four percent annually for the last four model years.

When combined with other historic steps the Administration has taken to increase light-duty vehicle energy efficiency, the Model Year 2017-2025 proposal is estimated to:

 Save American drivers more than \$1.7 trillion at the pump by 2025. Reduce America's dependence on oil by an estimated 12 billion barrels, and, by 2025, reduce oil consumption by 2.2 million barrels per day enough to offset almost a quarter of the current level of our foreign oil imports.

At NHTSA and the Department of Transportation, we think electric vehicles have an important role to play in our continued goal of increasing fuel efficiency, decreasing greenhouse gas emissions, and decreasing dependency on foreign oil. We fully support President Obama's goal of increasing the number of electric and plug-in hybrid vehicles on the road in the United States.

Potential safety concerns associated with lithium-ion chemistries are different from those associated with other fuels and technologies. That is why we are focused on this area: conducting crash tests of new electric vehicles, collaborating with U.S. and international partners to promote EV safety, and conducting Lithium-ion battery safety research.

We are actively testing new electric vehicles introduced for sale in the U.S. to ensure compliance with our existing safety standards and to provide consumers with information about the crash protection offered by these vehicles.

We are also working with our international partners on electric vehicle safety. In November 2011, NHTSA announced, together with our partners in Japan and the European commission, a plan to work toward a Global Technical Regulation (GTR) on electric vehicle safety.

PUT THE EV CONFERENCE HERE

Next Steps for Automobile Safety

NHTSA maintains a data-driven and research-oriented focus that touches every aspect of driving safety. We envision, and are working to create, a new safety era that will revolve around safe vehicle designs and emerging technologies.

ESC FOR HEAVY VEHICLES

NHTSA has been working steadily to reduce the risk of loss-of-control and rollover crashes. Progress in braking technology has evolved from Antilock Brake Systems to Traction Control Systems and now Electronic Stability Control. ESC provides enhanced stability control by detecting potential over- and under-steer conditions and automatically assists drivers with differential braking and throttle control. In 2009, electronic stability control saved an estimated 684 lives among passenger vehicle occupants, and this is just the beginning. Since September 1, 2011, all new passenger vehicles must be equipped with ESC. When the entire passenger vehicle fleet is fully equipped with ESC, we estimate that it will save up to 8,200 lives per year.

We are now extending our work on ESC to the heavy vehicle sector—and our research has shown that ESC will have a powerful impact on safety in the trucking and motor coach industries as well.

At this stage, ESC sometimes seems like an "old" technology compared to what is coming. NHTSA believes that crash avoidance systems, including the use of vehicle-based sensors to provide warning and automatic braking in forward collisions, have the potential to build upon the foundations of ESC to aid the driver and reduce crashes.

CONNECTED VEHICLE TECHNOLOGIES

While the Agency has worked on crashworthiness issues for over 40 years and will continue to progress in this area, we recognize that the future is in crash avoidance technologies and active safety. The best protection against a crash is to prevent it from happening in the first place. We are currently assessing Connected Vehicle technologies that have the potential to address approximately 80 percent of the vehicle crash scenarios involving unimpaired drivers.

Our research is showing that these technologies could help prevent a majority of the collisions that typically

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occur in the real world, such as crashes at intersections or while changing lanes.

Beginning in 2011, NHTSA has been conducting Safety Pilot driver clinics in the first phase of a two-part research program jointly developed with the Research and Innovative Technology Administration (RITA) and in coordination with other DOT agencies. The second part of the Safety Pilot is being led by the University of Michigan Transportation Safety Institute in Ann Arbor. This is the model deployment part of the Safety Pilot. It will establish a real world, multimodal test site for enabling wireless communications among vehicles and roadside equipment for use in generating data to enable safety applications. This model will include up to 3,000 vehicles for one years.

The information collected from both phases of the Safety Pilot will be used by NHTSA to determine by 2013 whether to proceed with additional vehicle-tovehicle communication activities, including possible future rulemakings.

FOCUS ON DRIVING BEHAVIOR

As many of you know, the latest data shows that in 2010 US highway fatalities fell to 32,885, the lowest level since 1949, despite an estimated increase of nearly 21 billion miles traveled. Since 2005, fatalities have dropped 25 percent. The trend is very encouraging, but for NHTSA the number of lives lost annually is still much too high.

DADSS

NHTSA is responding to a multitude of factors that contribute to the unacceptably high death toll. One of our most persistent and deadly traffic safety problems is alcohol abuse. In 2009, 10,839 people died nationwide in crashes involving a drunk driver. These deaths make up 32 percent of all fatal crashes.

In an effort to reduce these fatalities, NHTSA initiated a \$10 million, five-year cooperative research program in 2008 with the Automotive Coalition for Traffic Safety (ACTS), a nonprofit industry coalition funded by 17 automakers. The program, called the Driver Alcohol Detection System for Safety (DADSS), is developing noninvasive technologies to quickly and accurately measure a driver's blood alcohol concentration (BAC). If the system detects the driver has a BAC at or above the legal intoxication limit (.08 BAC or higher), the vehicle will be disabled from being driven. Technologies developed under this project are envisioned to be voluntarily installed as an option on new cars.

Although DADSS research is still in the early stages, we are following at step-by-step, data-driven process to ensure that the end result is a highly unobtrusive, accurate, and precise system.

There is still much more work to be done, but we believe that a technology could be ready for general use and integrated into vehicles in eight to 10 years.

DISTRACTED DRIVING

We know that approximately 90 percent of vehicle crashes are due to driver error. And now, one of the newest and deadliest threats on our agenda is distracted driving. In 2010, more than 3,000 people in the United States lost their lives in crashes where distraction was a factor.

In response to the emerging threat, NHTSA has developed an evaluative framework for in-vehicle technologies. We have offered specific guidance to automakers to help them develop electronic devices that provide the features consumers want—without interfering with the driver's focus or sacrificing safety by distracting the driver's attention.

Our first goal is to reduce the complexity and the amount of time it takes to use onboard electronic devices. We propose to reduce drivers' distraction through new limitations on electronic devices. Among our key goals, we want to ensure that devices can be operated with only one hand (leaving the other for steering). We propose a two-second limit on eyes-offthe-road glances and a 12-second limit on total eyesoff-road time need to operate a device.

We also seek to limit both the amount of manual inputs needed to operate a device and unnecessary visual information in the driver's field of view.

Our second goal is to disable operations of various electronic devices while driving, unless the devices are intended for passenger use and cannot be seen or accessed by the driver, or unless the vehicle shift lever is in park. These include visual-manual operations that can be a significant source of driver distraction, for example, text messaging, Internet browsing, navigation system destination entry by address, and 10-digit phone dialing.

FOCUS ON THE TRAILER INDUSTRY

I want to conclude with a few words about the trailer industry—which for NHTSA includes tractor trailers, light- and medium-duty trailers and all of the safety components involved across the spectrum, including brakes, tires, and lights.

I applaud your industry's commitment to quality in your manufacturing processes, your safety consciousness, and your dedication to continuous improvement. Your long-term advocacy of collaboration between regulators and industry—expressed through your mandatory compliance verification programdemonstrates the effectiveness of proactive engagement over regulatory issues.

There are significant differences in the kinds of manufacturers involved with producing tractors and trailers, and at NHTSA we work with all of them. For heavy duty highway tractors and their engines, a relatively limited number of manufacturers produce the vast majority of these products

The rest of the trailer manufacturing industry, represented today by NATM and NMMA, includes a large number of companies, many of which are relatively small in size and production volume. Setting standards for the products involved requires recognition of the significant differences among these manufacturing industries, which can then warrant consideration of different regulatory approaches. Let me give you a few highlights of our recent rulemaking:

- On September 17, 2009, NHTSA published a final rule revising the reporting requirement of Early Warning Reports. This rule modifies the threshold for submitting quarterly EWR reports for light vehicle, bus, medium-heavy vehicle (excluding emergency vehicles), motorcycle, and trailer manufacturers. It further requires manufacturers submitting EWR reports to submit product names that are consistent from reporting quarter to quarter.
- The new rule raises the EWR quarterly reporting threshold for trailer manufacturers from 500 or

more units to 5,000 or more units per year. Trailer manufacturers producing 5,000 or more units per year must continue to submit quarterly reports. Trailer manufacturers producing fewer than 5,000 units during the calendar year of the reporting period or during each of the prior two calendar years will now have to submit only information related to incidents involving fatalities.

- The effective date of this final rule was October 17, 2009. Trailer manufacturers producing fewer than 5,000 units are not required to submit the 3rd quarter of 2009 because it is due November 30, 2009 which is after the effective date.
- The new requirements have reduced the number of trailer manufacturers required to submit quarterly

reports. The downturn in the economy has also reduced the number of trailer manufacturers required to submit quarterly reports because some trailer manufacturers went out of business and others reduced their production volume. The number of trailer manufacturers submitting quarterly reports has gone from about 290 to 65 manufacturers per quarter.

SOMETHING ON THE TOWING ISSUE I appreciate the opportunity to speak to these issues. I would be happy to respond to any questions you may have.