



PETERSON



CAT[®]

Tier 4 Presentation

4/27/10

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Tier 4

- Tier 4 interim is the EPA Emissions Standard coming into effect January 1, 2011.



EPA Non-Road Regulations

- 1990 – Congress & President Bush sign the Clean Air Act Amendments
 - United States Environmental Protection Agency (EPA) to regulate exhaust emissions from new non-road engines
 - Reduce ozone by controlling NOx and HC
 - Reduce acid rain by controlling NOx and sulfur dioxide
 - Improve air quality
- Tier 1 regulations implemented in 1996
- Tier 2 phased-in 2000 – 2006
- Tier 3 phased-in 2005 – 2008
- Tier 4 is the next step

EPA Nonroad Diesel Emissions Limits and Timing



NO_x, HC
CO, PM or NO_x+HC
CO, PM

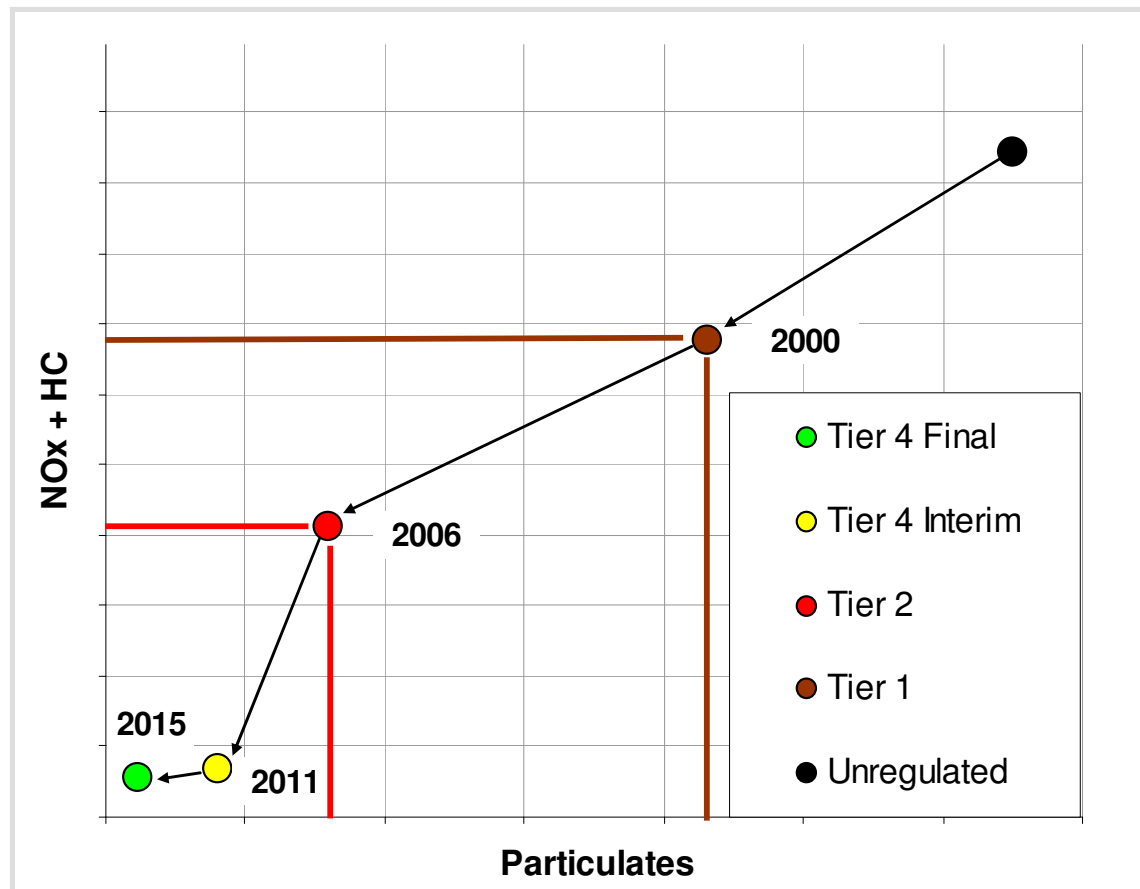
g/kW-hr

● Tier 2 ● Tier 3 ● Tier 4 Interim ● Tier 4 Final

*EPA Nonroad Regulations commenced with Tier 1 in January 1996

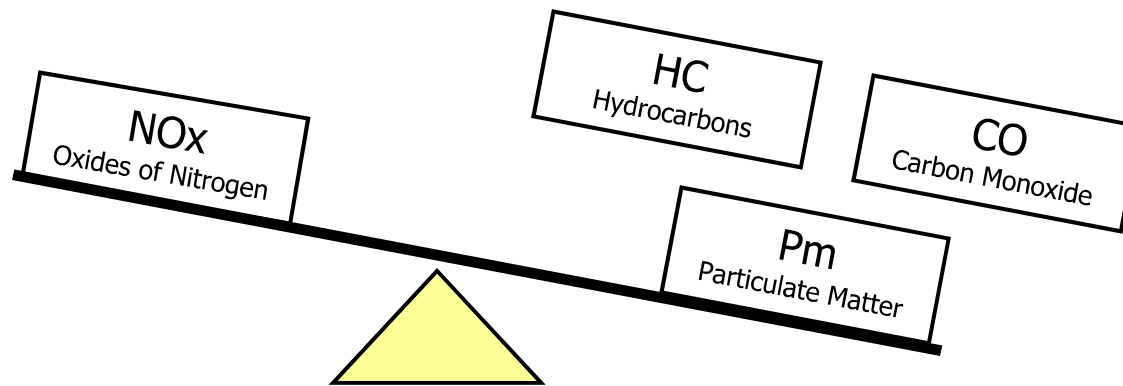
EPA Non-Road Regulatory Impact

Example - >900 bkW genset applications



Diesel Emissions

Diesel engines emit:



- Emphasis is on NOx and PM
- NOx and PM act as tradeoffs during combustion
 - HC and CO can also increase due to in-cylinder NOx reduction
- During combustion, the sulfur in fuel converts to SO₂

Tier 4 Emissions levels > 900bkw

- Nox = 0.67 (83% reduction from Tier 2)
- HC = 0.40 (83% reduction from Tier 2)
- CO = 3.5
- PM = 0.10 (50% reduction from Tier 2)

How Will this Effect Current Permits?

- Tier 4 does not change existing permits
- Permits normally cover all emitters within a contiguous site
- Adding emitters may cause standards to be updated

EPA – CARB – ATCM – BAAQMD

- Environmental Protection Agency = Federal
- California Air Resources Board = State
- **Airborne Toxic Control Measure** = State
- Bay Area Air Quality Management District
= 7 Bay Area Counties



California

- ATCM For Stationary Engines
 - **Emergency engines effectively align with EPA Non-Road non-exemption limits**
 - Enforces PM limits of 0.15 g/bhp-hr (0.2 g/bkw-hr) or EPA Non-Road limit – whichever is lowest
 - Only allows 50 hours non-emergency operating & maintenance unless PM \leq **0.01** g/bhp-hr (0.0134 g/bkW-hr)
 - Allows for compliance demonstrations other than certification by the manufacturer.
 - Non-emergency engines must meet PM \leq **0.01** g/bhp-hr (0.0134 g/bkW-hr) – half of the Tier 4 Final limits

Two EPA designations for certified Tier 4 Power Products

- Stationary Emergency Use
 - 100 hours discretionary use
 - Exhaust aftertreatment not required
- Stationary Non-Emergency Use
 - Exhaust aftertreatment will be required for most engines

Tier 4 Non-Emergency will be required if

- Non-emergency standby units
- Prime Power applications
- Load management / peak shaving
- Electric Power Rental units
- Storm Avoidance

Pending Regulatory Changes

- The California ATCM for Stationary Internal Combustion Engines imposes emission standards for emergency engines installed after 2010 (and the expiration of sell-through provisions) that are **more stringent than what is mandated through similar federal regulations**. In some cases, the standards imposed by the ATCM would result in the use of NOx emission control devices (Selective Catalytic Reduction) that may not be suitable for emergency engines. CARB is investigating the need for regulatory amendments that would allow the continued installation of emergency engines meeting model year 2010 emissions standards, combined with the with the use of PM filters.

Inventory Sell-through

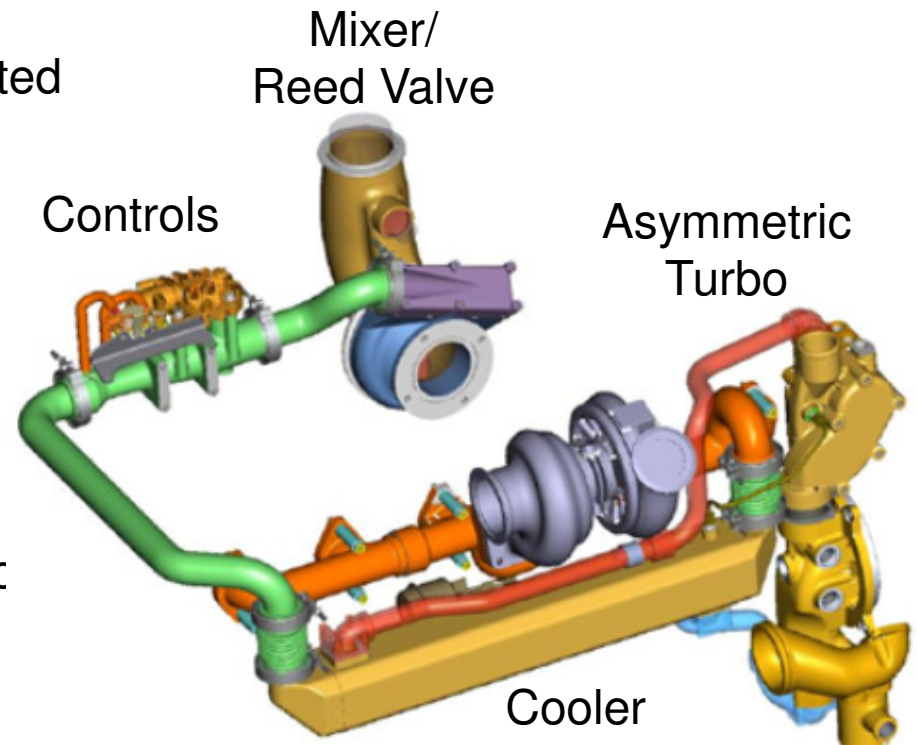
- For dealers with existing inventory
 - Engines built in 2010
- Final assembly
 - In 2010
- Sale
 - In 2010
- Permit
 - By June 30, 2011

Technology Portfolio

- 130 to 560 bkW
 - NRS
- 560 to 900 bkW
 - DOC
 - Auto Regen. DPF
- 900 and above
 - DOC
 - SCR

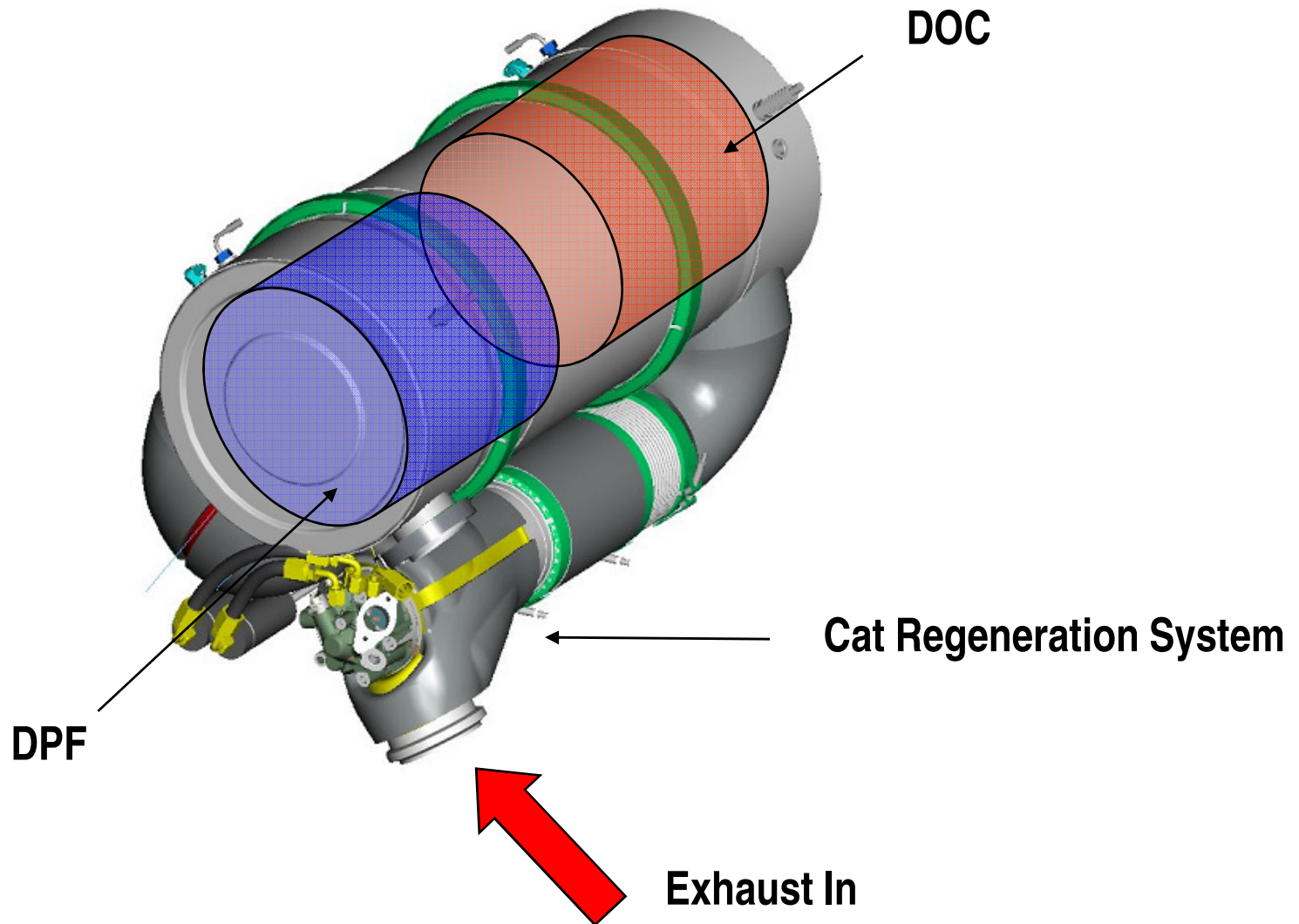
Cat NOx Reduction System (NRS)

- < 20% of exhaust gas is diverted from the exhaust stream then cooled before entry back to the engine.
- Working principle
 - Non-combustible (inert) gas is diverted pre-turbo
 - Combustion air is diluted with inert gas
 - Inert gas lowers combustion temperature, thereby reducing NOx production
 - The Cat NOx Reduction System will be monitored by a Mass Flow Sensor



Clean Emissions Module

CEM – (DOC + DPF)



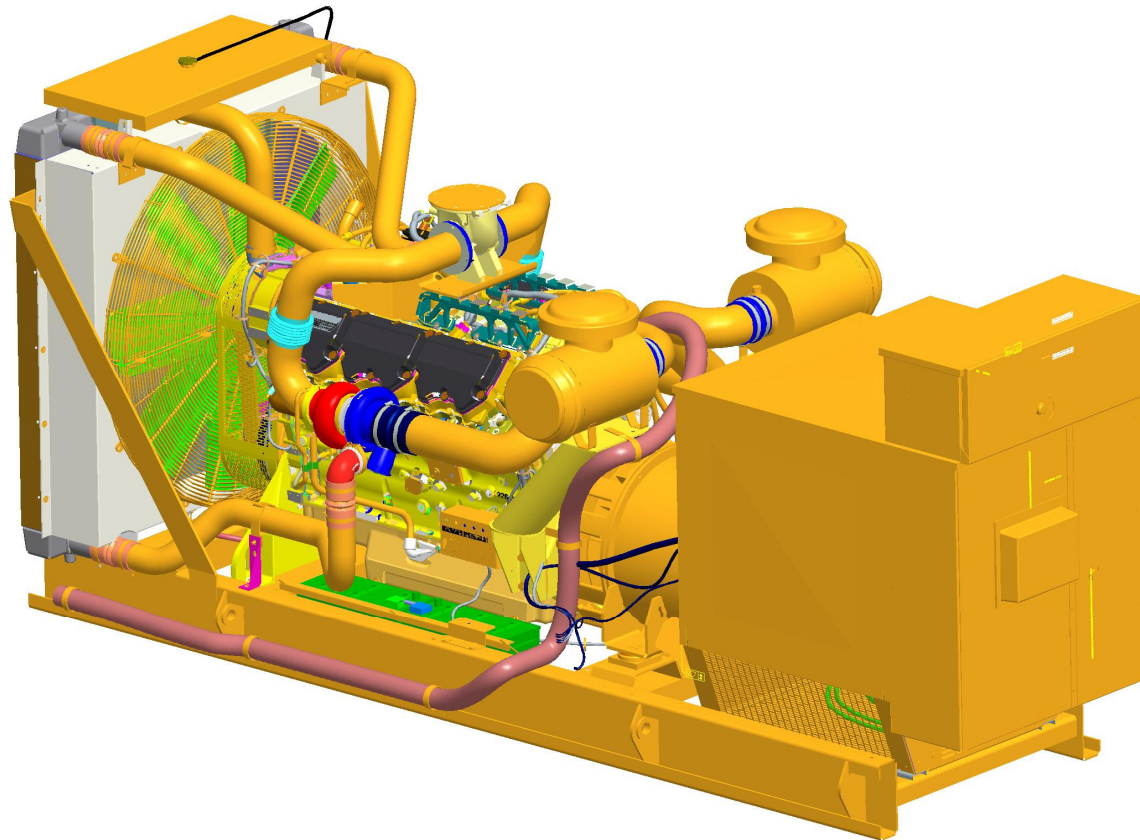
Technology ► 130 - 560 bkW

- NOx Reduction System + Clean Emissions Module
 - Automatic DPF regeneration – maximizing uptime

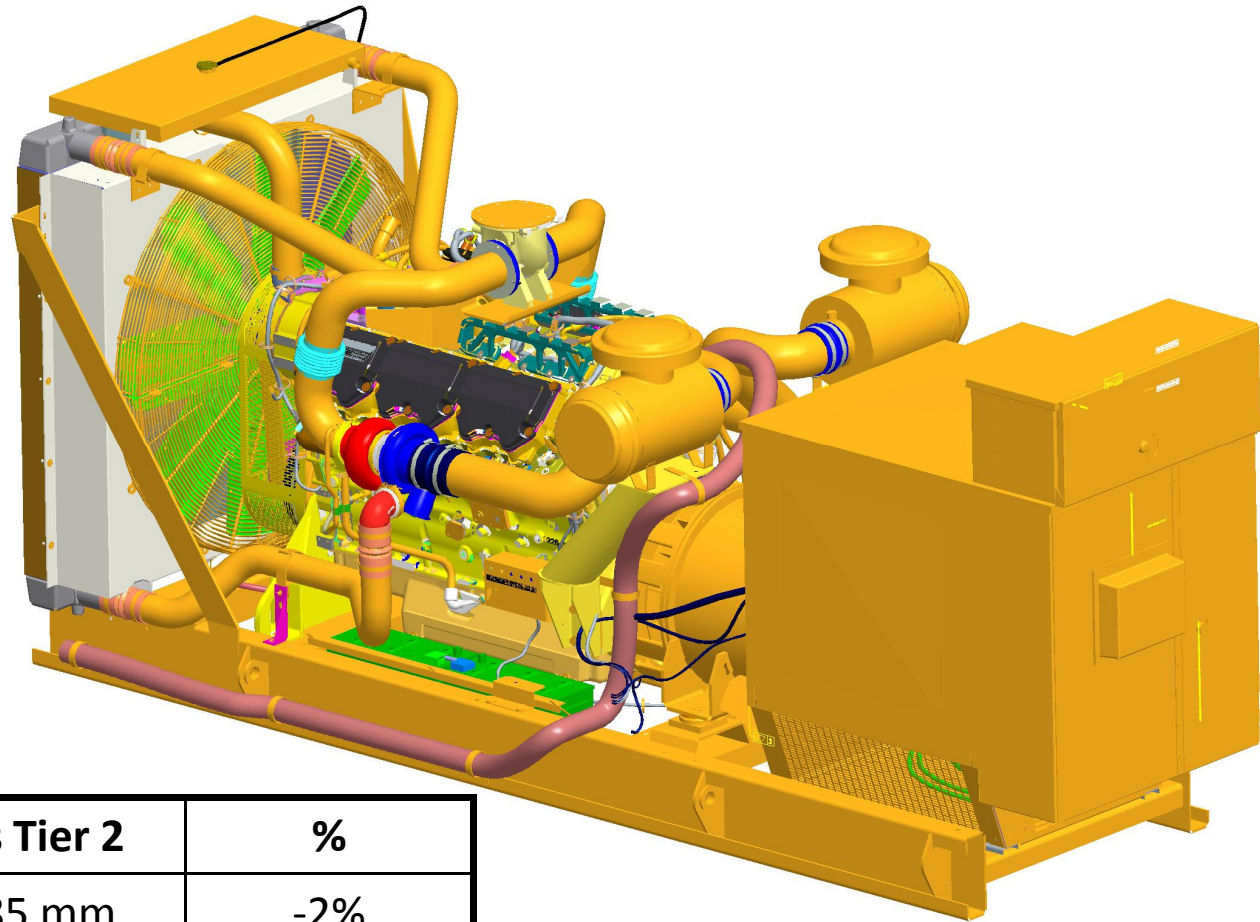


Technology ► 560 - 900 bkW

- NOx Reduction System
 - Engine only, proven technology: ACERT + additional air management



800 ekW (C27) – Open Gen Set

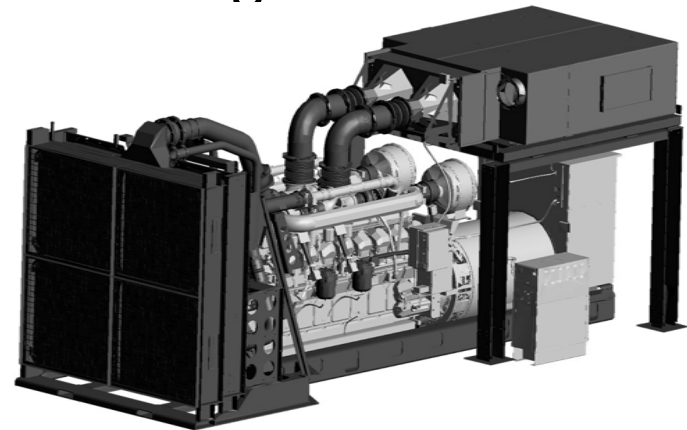


	Vs Tier 2	%
Length	-85 mm	-2%
Height	+56 mm	+3%
Width	+89 mm	+5%

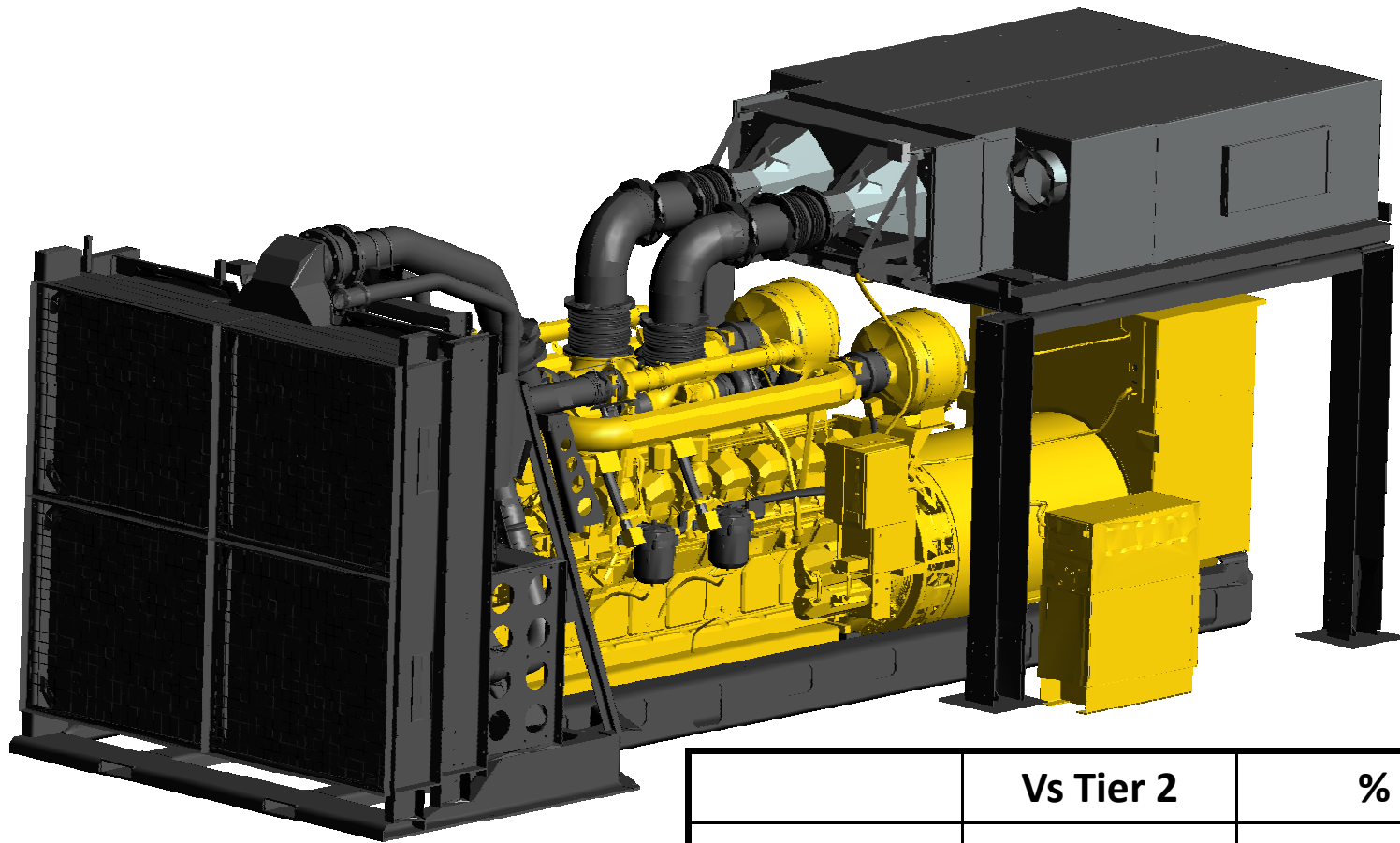
Technology ► 900+ bkW

■ Clean Emissions Module

- Engine + PM and NOx Aftertreatment (DOC and SCR)
- Uses Diesel Exhaust Fluid (DEF) and air injection system
- Optimized for Cat generator sets - designed specifically for Cat engines (catalyst size, exhaust flow, noise characteristics)
- Reliable, compact, light weight – designed with mobile applications in mind
- Flexible configuration



2000 & 2500 ekW (3516CHD) - Open Genset



	Vs Tier 2	%
Length	+254 mm	+3%
Height	-188 mm	-6%
Weight	+1900 kg	+10%

Certified Aftertreatment Product

CEM - SCR

Dual-bank round ceramic SCR design for low pressure drop at reduced cost & weight.

Dual-wall insulation for thermal protection

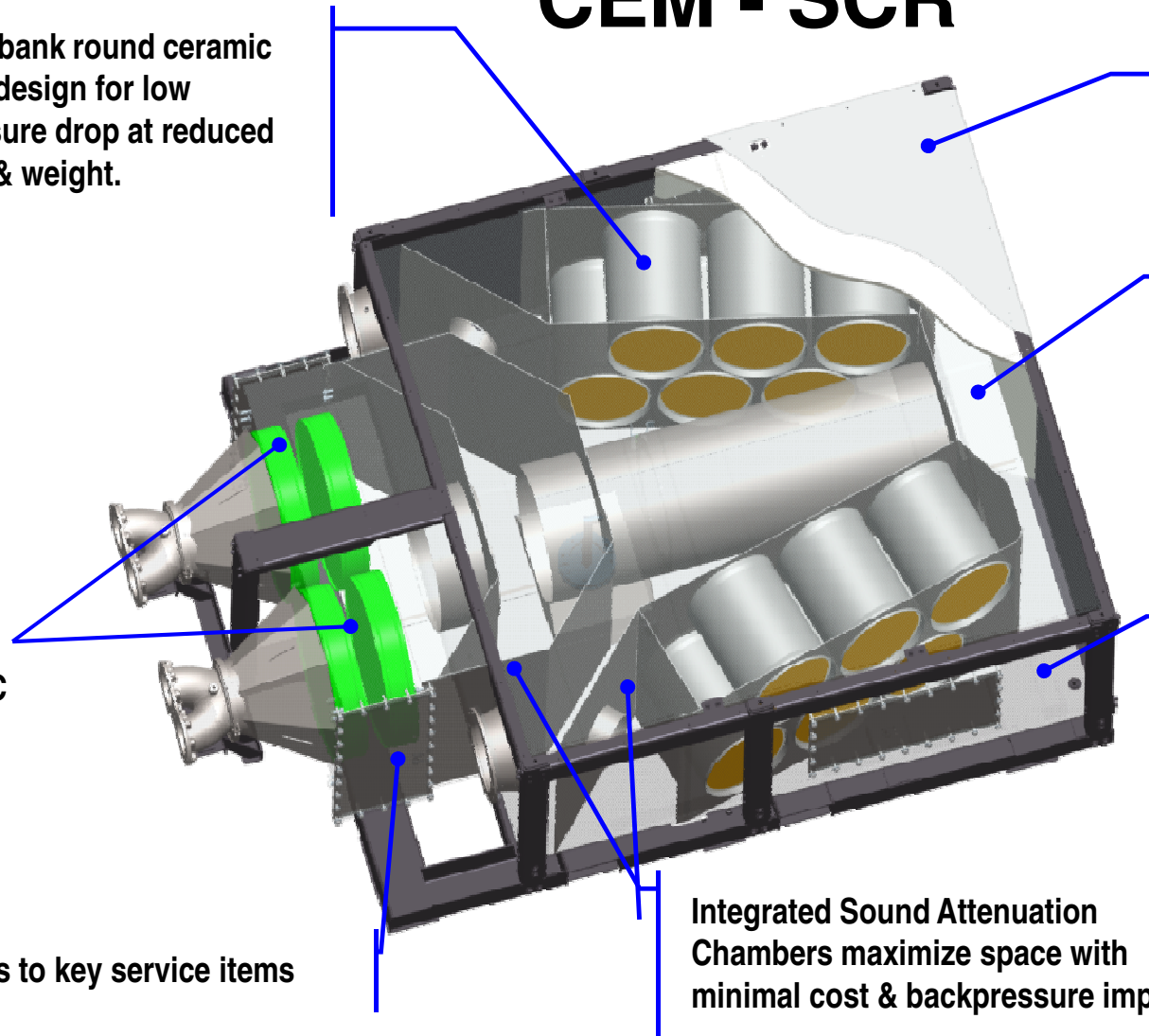
Wraparound flow path gives long mixing tube - time for DEF to decompose

Thin wall stainless with mild steel external support structure to minimize cost & weight

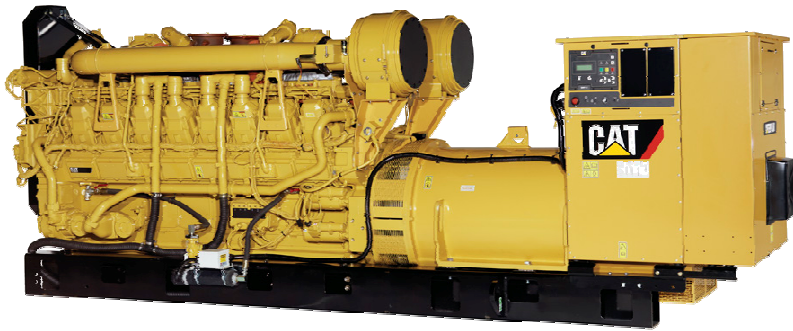
Integrated Sound Attenuation Chambers maximize space with minimal cost & backpressure impact

DOC

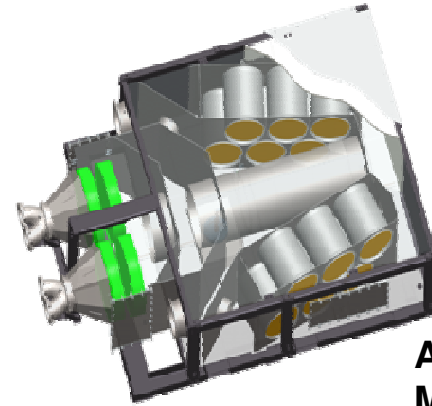
Access to key service items



Selective Catalytic Reduction

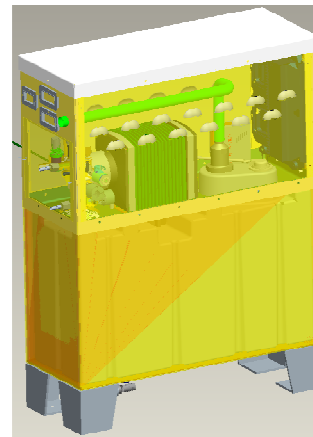
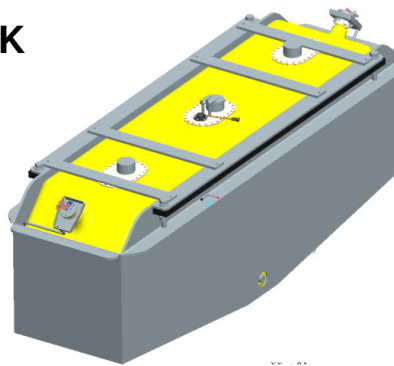


ENGINE / GENSET



**AFTERTREATMENT
MODULE**

DEF TANK



**DOSING CABINET
& BUFFER TANK**

Air Source



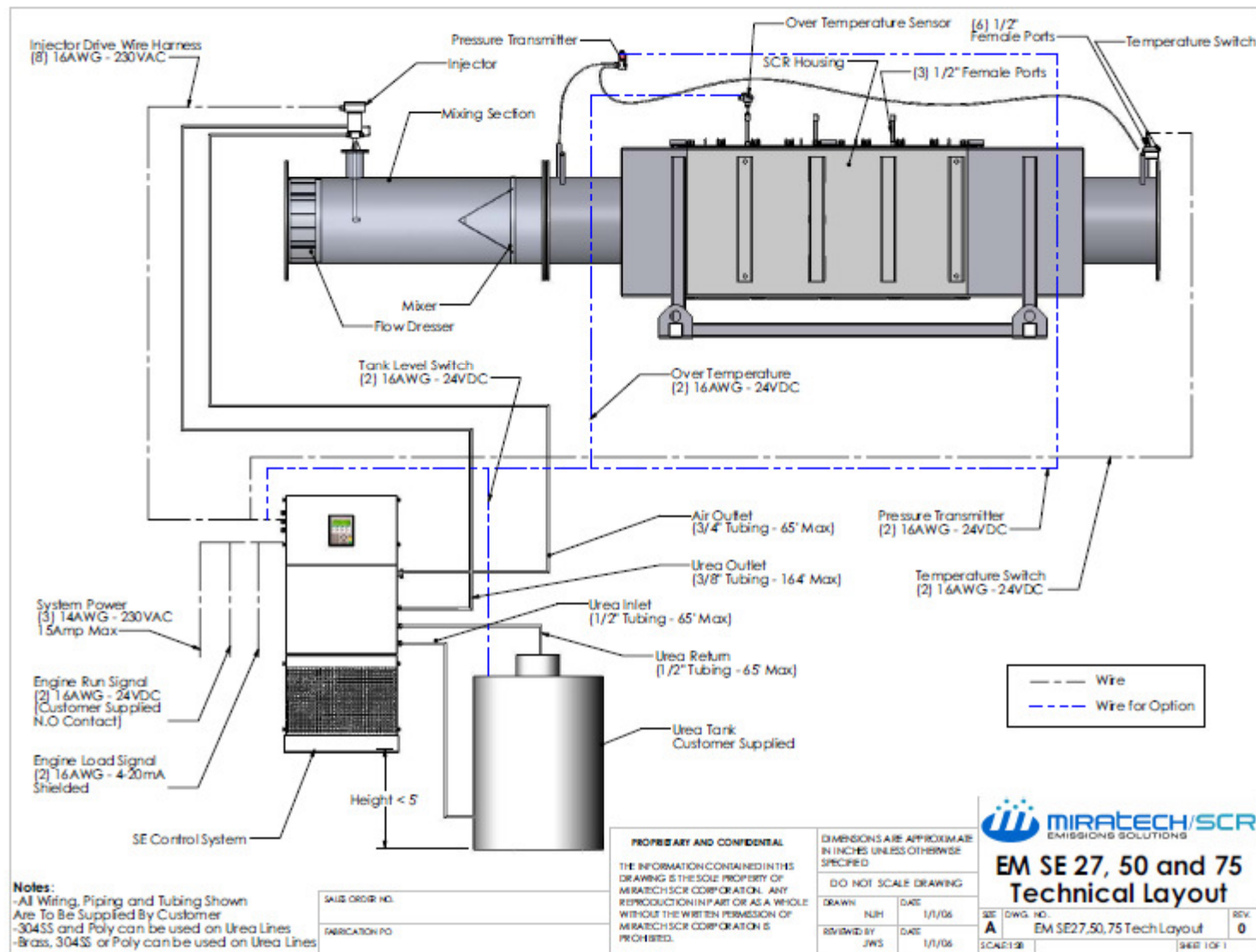
The next size bigger may be cheaper

- In some cases it may cost more money to build an emissions compliant engine than the next size larger.
- This is due to varying emissions levels in the regulations as shown in the previous charts.
- In those cases the manufacturer may not make certified product available.

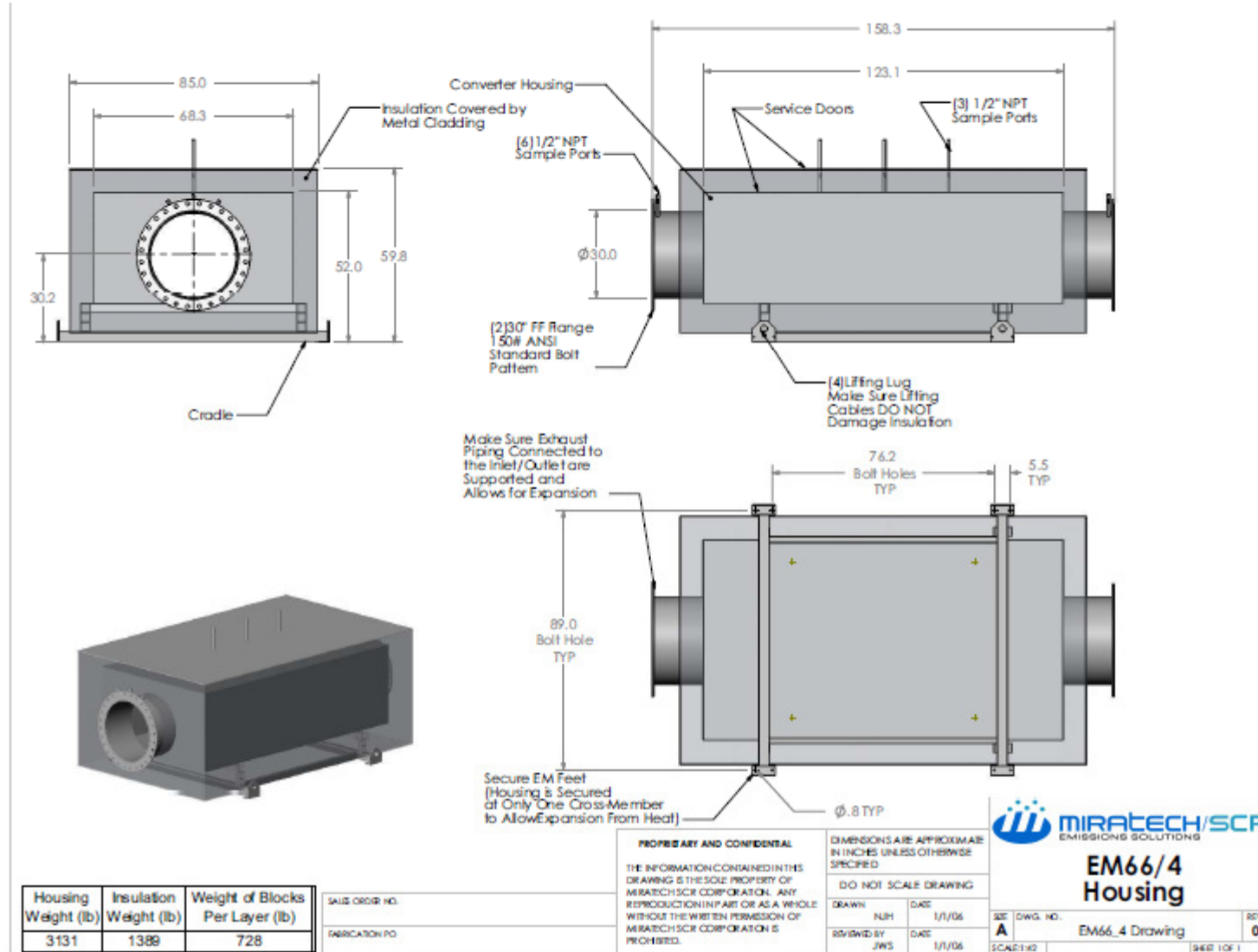
Phased introduction

- While it is our goal to have all Tier 4 product available in 2011, we may not have all sizes that we intend to build available in the first quarter.

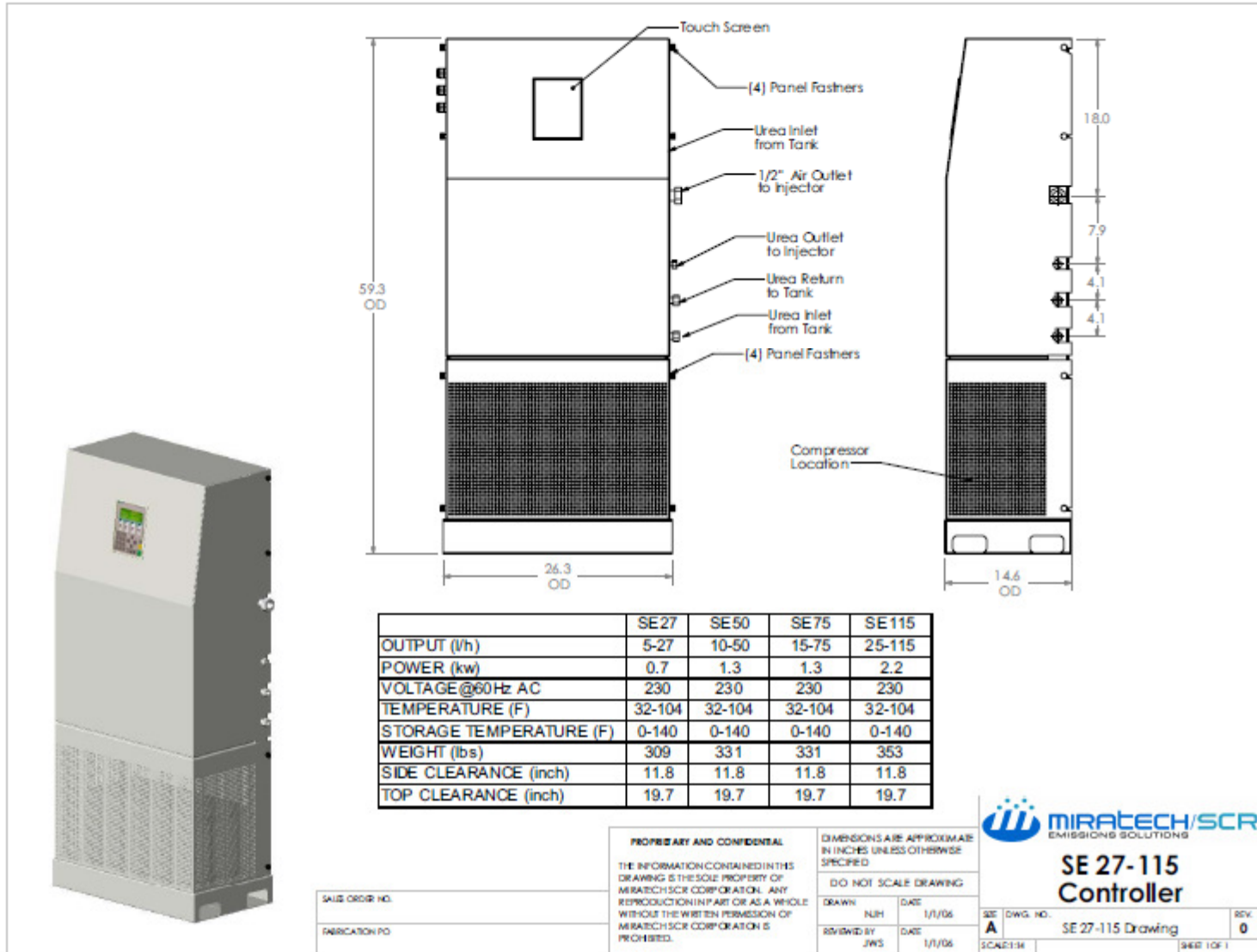
Compliant Product



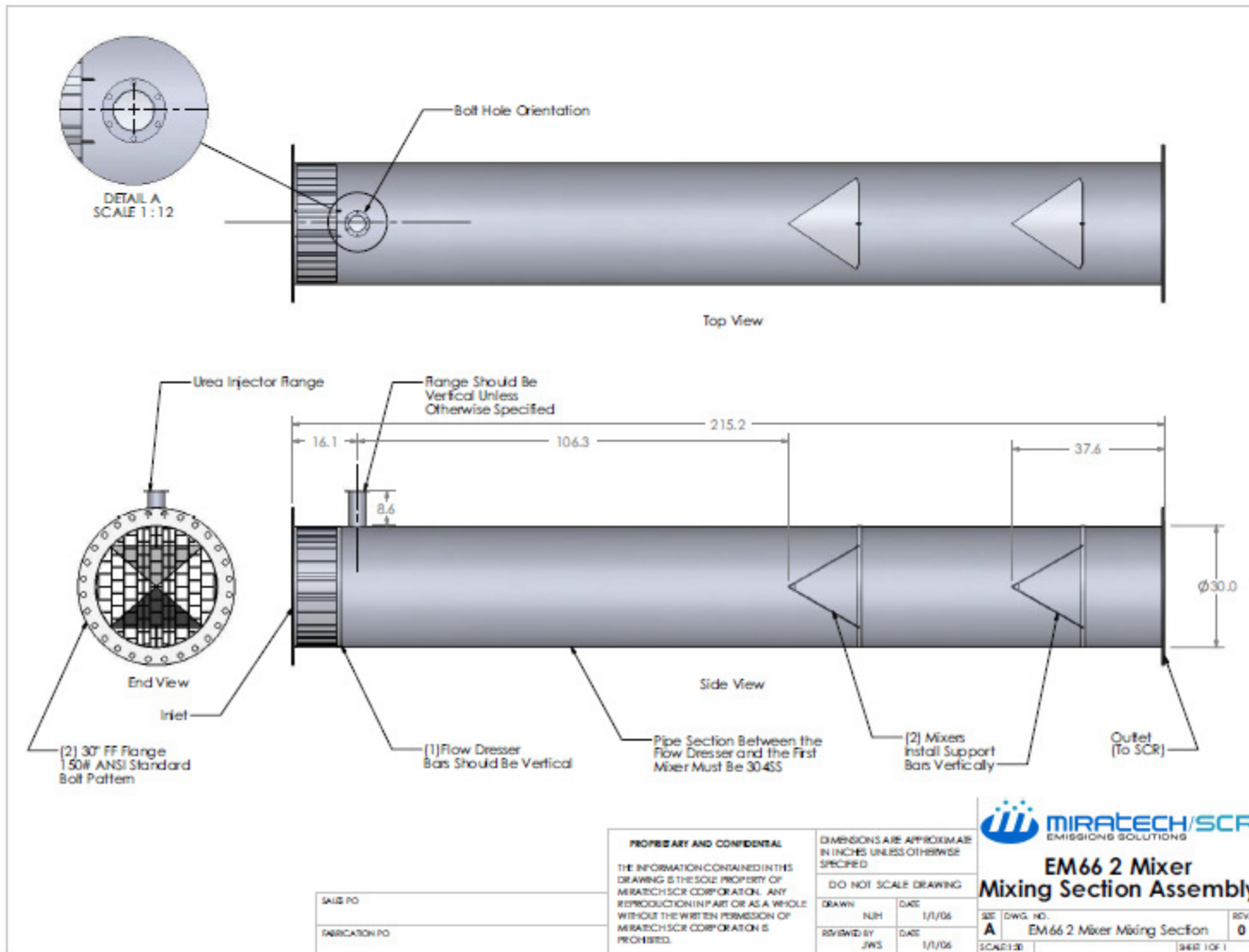
SCR



Dosing System



Mixing Section



Tier 4 – Stationary Emergency Definition

- “Emergency” effectively means no running except when normal source, or utility power is not available
- No limit to emergency running time
- Maintenance & testing limited to 100 hours per year
- Operator must record use & reference to hours meter

Certified Genset vs. Compliant

- Certified Product
 - Is required for all Non-Emergency use in all 49 states
- Compliant Product
 - For use in Stationary Emergency in California only
 - Source testing usually required

Thank you

- This presentation will be available at:

http://www.petersonpower.com/products/power_generation.php