

AT&T's Alternative-Fuel Vehicle Commitment

Overview

AT&T is investing up to \$565 million as part of a long-term strategy to deploy more than 15,000 alternative-fuel vehicles over the next 10 years. This investment represents the largest U.S. corporate commitment to Compressed Natural Gas (CNG) vehicles to date and signals a demand for cleaner, domestic alternative fuels. The Center for Automotive Research (CAR) estimates that nearly 1,000 jobs will be created or saved each year for five years. The commitment follows AT&T's deployment of 105 alternative-fuel vehicles in 2008 and an earlier trial of four hybrids in California in 2007. Through these successful pilot programs, AT&T has learned what mix of solutions is right for its fleet.

The CNG Commitment

AT&T expects to spend an estimated \$350 million to purchase about 8,000 CNG vehicles over the next five years.

- The vehicle chassis will be built domestically by a U.S. automotive manufacturer. AT&T will then work with domestic suppliers to convert the chassis to run on CNG.
- AT&T will also work with natural gas service providers to build up to 40 new fueling stations.
- CNG vehicles emit approximately 25 percent less emissions than those traditionally powered by gasoline.
- The CNG vehicles will be used to provide and maintain communications services for AT&T customers. AT&T currently operates 25 CNG vehicles in California.

Passenger Car Commitment

AT&T will spend approximately \$215 million to begin replacing its passenger cars with alternative-fuel models.

- AT&T expects to replace 7,100 passenger cars over the next 10 years.
- During the initial phase of deployment, gasoline-powered vehicles will be replaced with hybrid models. As technologies evolve, additional alternative-fuel vehicle types will be considered for inclusion.
- These vehicles are expected to offer a 39 percent improvement in fuel economy and to reduce greenhouse gas emissions by 29 percent.
- AT&T currently operates 69 electric hybrid passenger vehicles across the country.

Fuel Economy and Emissions Reduction

CAR, which is located in Ann Arbor, Mich., estimates that the new vehicles will save 49 million gallons of gasoline and reduce carbon emissions by 211,000 metric tons over the 10-year deployment period. That is equivalent to removing the emissions from more than 38,600 traditional passenger vehicles for a year.

