Recent Releases

AT&T to Deploy More Than 15,000 Alternative-Fuel Vehicles

Makes Largest Commitment to Compressed Natural Gas to Date by a U.S. Company;
Part of 10-Year Commitment to Spend up to $565 Million on Alternative-Fuel Vehicles

Dallas, Texas, March 11, 2009

Through an initiative that highlights the growing demand for cleaner domestic vehicles, AT&T* today announced plans to invest 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. AT&T expects to spend an estimated $350 million to purchase about 8,000 Compressed Natural Gas (CNG) vehicles and approximately $215 million to begin replacing its passenger cars with alternative-fuel models.

AT&T's investment represents the largest U.S. corporate commitment to CNG vehicles to date. The new deployments will bring AT&T's alternative-fuel fleet to more than 15,000 vehicles by 2019.

"AT&T and other U.S. corporations have a unique opportunity to partner with the new administration as it works to lead the country out of this economic downturn," said Randall Stephenson, chairman and chief executive officer of AT&T Inc. "While there are no easy solutions to the challenges facing our nation, this investment is a first step on our part to help boost other industries while at the same time encouraging wider use and production of efficient vehicles and domestic fuel alternatives."

The Center for Automotive Research (CAR) 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.

Over the next five years, AT&T will replace about 8,000 gasoline-powered service vehicles with vehicles powered by domestically available CNG. CNG vehicles are expected to emit approximately 25 percent less greenhouse gas emissions than those traditionally powered by gasoline.

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 CNG fueling stations across its operating region to provide the fueling infrastructure needed for the new vehicles. This investment will have a positive impact on job creation and preservation. CAR estimates that nearly 1,000 jobs will be created or saved each year for five years.

As it begins to retire gasoline-powered passenger vehicles in its fleet, AT&T has committed to replacing them with alternative-fuel models. AT&T expects to replace 7,100 passenger cars over the next 10 years. The alternative-fuel vehicles, which will be used by employees in a variety of diverse work functions across AT&T's operations, are expected to offer up to a 39 percent improvement in fuel economy and to reduce greenhouse gas emissions by up to 29 percent.

During the initial phase of the deployment, gasoline-powered passenger vehicles will be replaced with hybrid models. As technologies evolve, additional alternative-fuel vehicle types will be considered for inclusion.

"Economic times are tough, but tough times make it even more important to look for efficient solutions," said Stephenson. "This is part of a long-term strategy that will help us continue to cut operating costs, reduce emissions in the communities we serve and make our business even more sustainable."

In 2009, AT&T will deploy nearly 800 of the CNG and hybrid electric vehicles. A Green Technology insignia will make the vehicles easy to identify on the road.

The new CNG/passenger vehicle commitment follows AT&T's deployment of 105 alternative-fuel vehicles in more than 30 U.S. cities in June 2008. In addition, AT&T piloted four Ford Escape hybrids, which were deployed in late 2007 in California.

Through these successful pilot programs, AT&T has learned that a mix of solutions is right for its fleet and that multiple technologies can help reduce its operating costs over time, while effectively reducing its fuel consumption and impact on the environment.

In addition to taking steps to make its fleet more efficient, AT&T is committed to helping its customers make their commercial fleets more efficient via a portfolio of fleet management products and services. Using AT&T's nationwide mobile broadband network and GPS partner solutions, AT&T provides fleet managers with the ability to actively manage their vehicles, increase efficiency and reduce fuel and insurance costs. Nearly all of AT&T's own technician vehicles are equipped with similar GPS capabilities, which have provided increased visibility into business operations and allowed AT&T to uncover opportunities to improve efficiency and reduce costs.