

HPCLC, April 2024



***AMERICAN
TRUCKING
ASSOCIATIONS***



**Andrew Boyle, ATA Chairman
Co-President, Boyle Transportation**

U.S. Trucking Industry



Why Should You Care?

- \$1 trillion market
- 8 million American workers
- 80% of freight \$ spend
- 73% of tonnage
- 42% minorities
- \$14 billion safety investment/year

Regulatory/Legislative Update

Labor: Independent Contractors

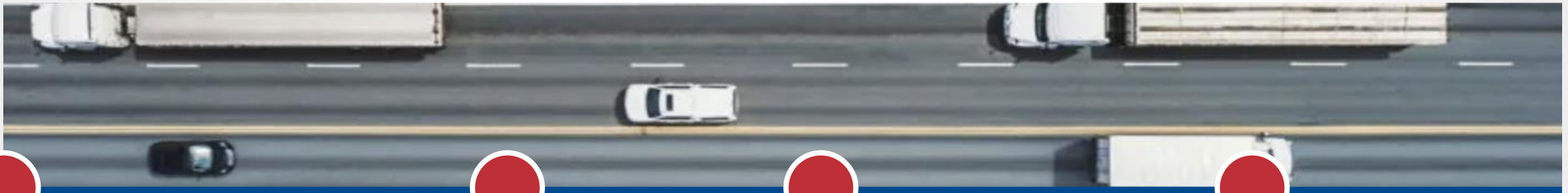
350,000 truck drivers are ICs

- Biden administration trying to implement very restrictive rule, backed by unions and trial lawyers, effective March 2024
- Congressional Review Act
- Modern Worker Empowerment Act
- Lawsuit filed in US Court by ATA, others
- Oppose Julie Su's nomination at DOL
- IC Ambassadors tell their rationale for choice



Labor – Federal Preemption of State Labor Laws

State Meal and Rest Break Litigation Timeline



Dec. 2018

FMCSA grants ATA's petition for determination that the MCSA preempts application of California's meal and rest break rules to commercial drivers who are subject to federal HOS rules.

Jan. 2021

Ninth Circuit upholds FMCSA's determination.

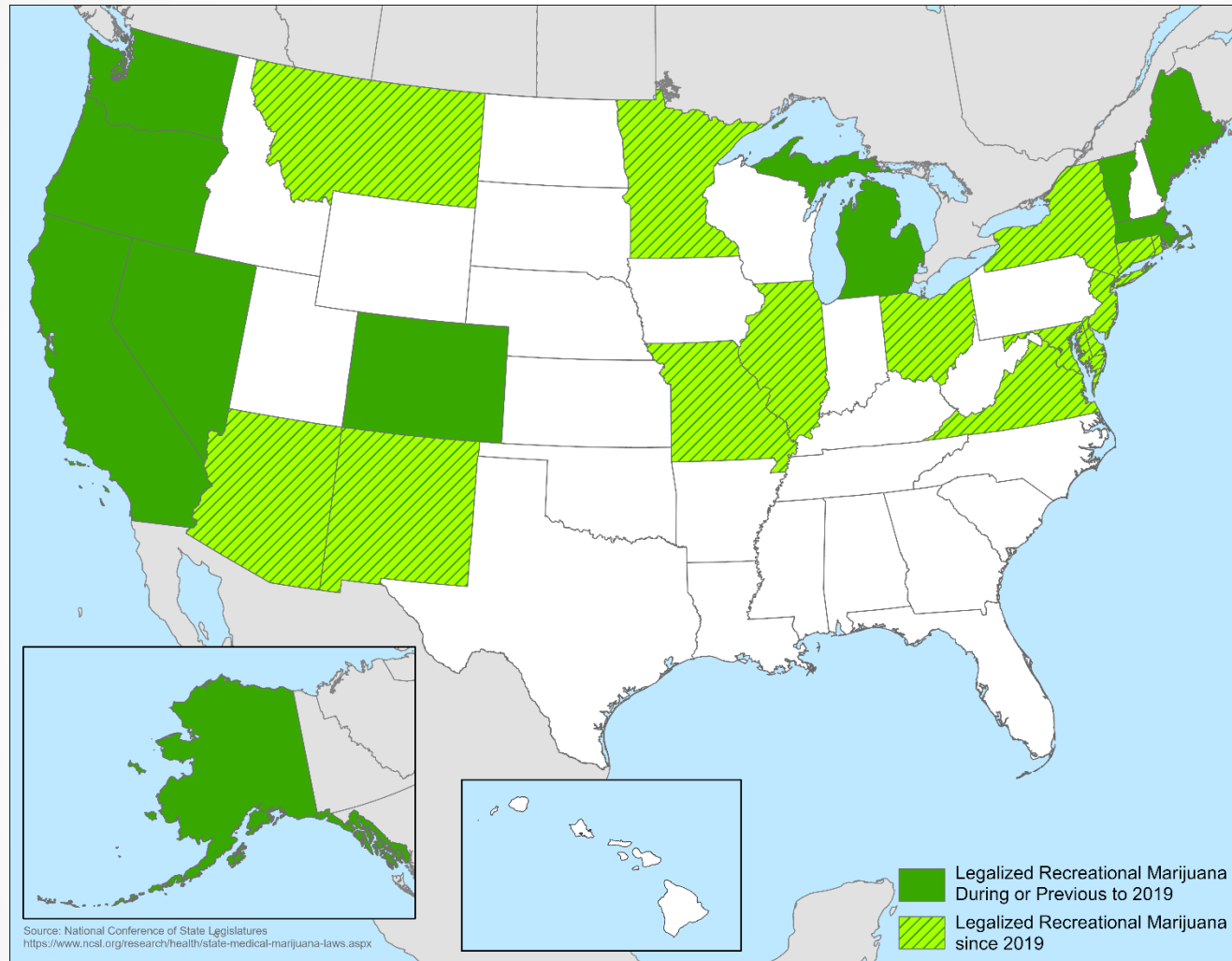
Nov. 2022

Ninth Circuit holds that claims are preempted even if they arose before the FMCSA determination was issued.

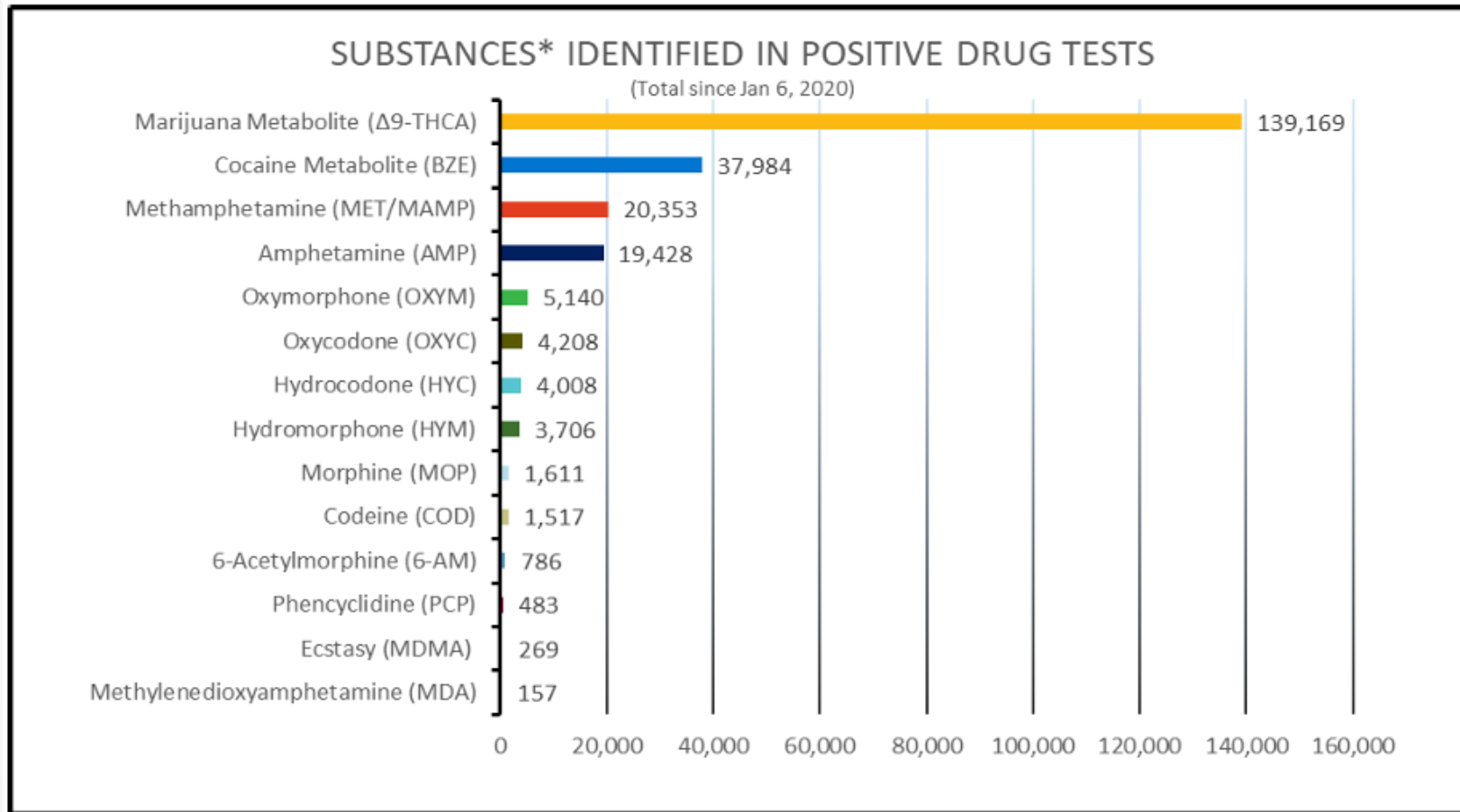
Dec. 2023

Preemption waiver petitions that FMCSA published and opened for public comment.

Labor: America is Going Green



But Legalization Conflicts with DOT Regs



*Positive drug tests reported through December 2023, as of January 1, 2024.

Trucking is a Target



Lawsuit Abuse

- US “Litigation Finance” has grown 745% since 2015
- Harvard dropouts started lit finance fund “Legalist” promising 25% returns
- In California, 97% of cases result in plaintiff verdicts
- Day before FL legislation was signed, “Morgan & Morgan” law firm filed 25,000 suits in FL
- Progress in several states



Energy & Environment – Federal



Congressional Testimony

Feb '23 before the House Transportation and Infrastructure Committee



Congressional Testimony

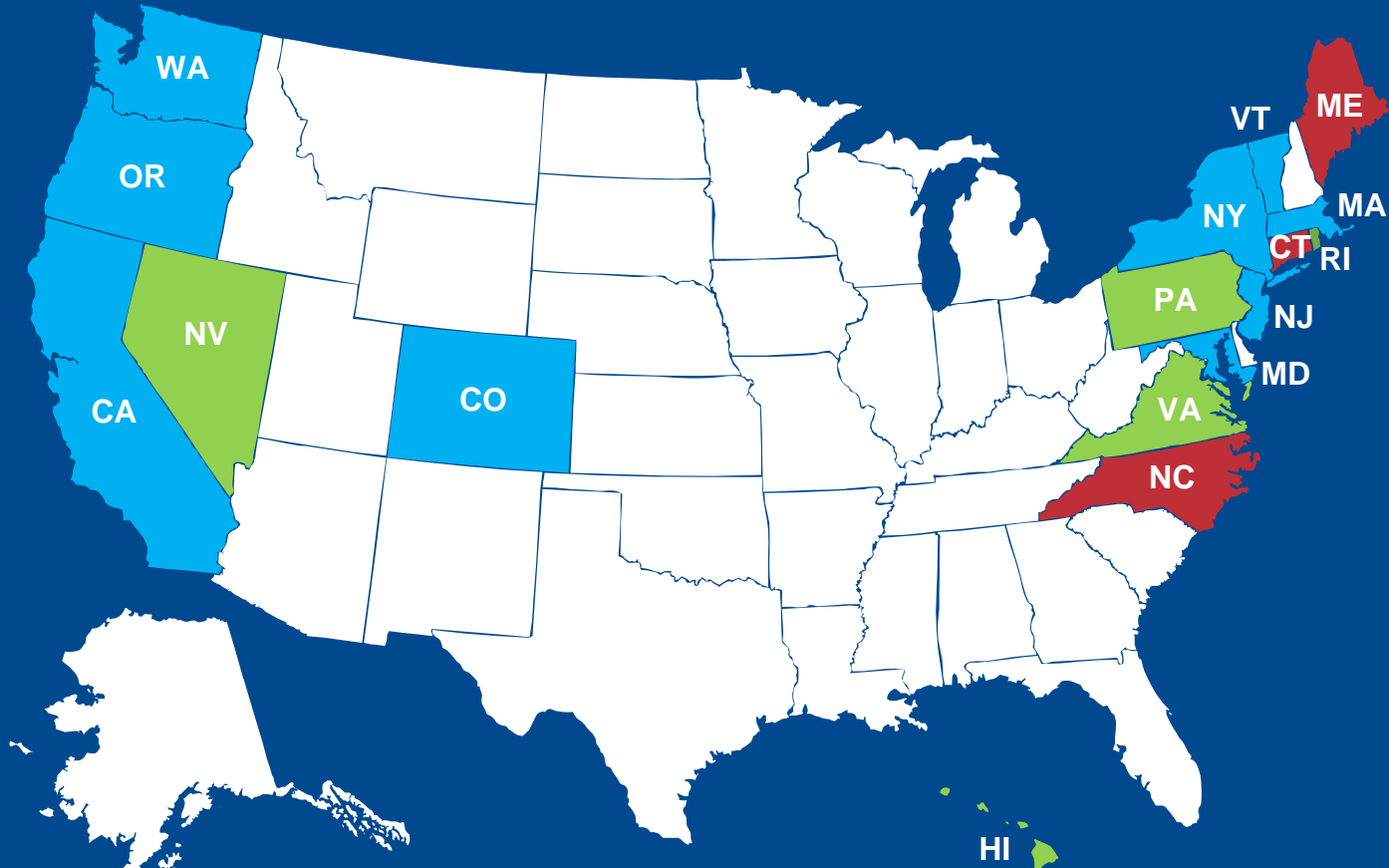
Feb, April '23 before the Senate Environment and Public Works Committee



Clean Freight Coalition

To address energy, emissions, and environmental challenges

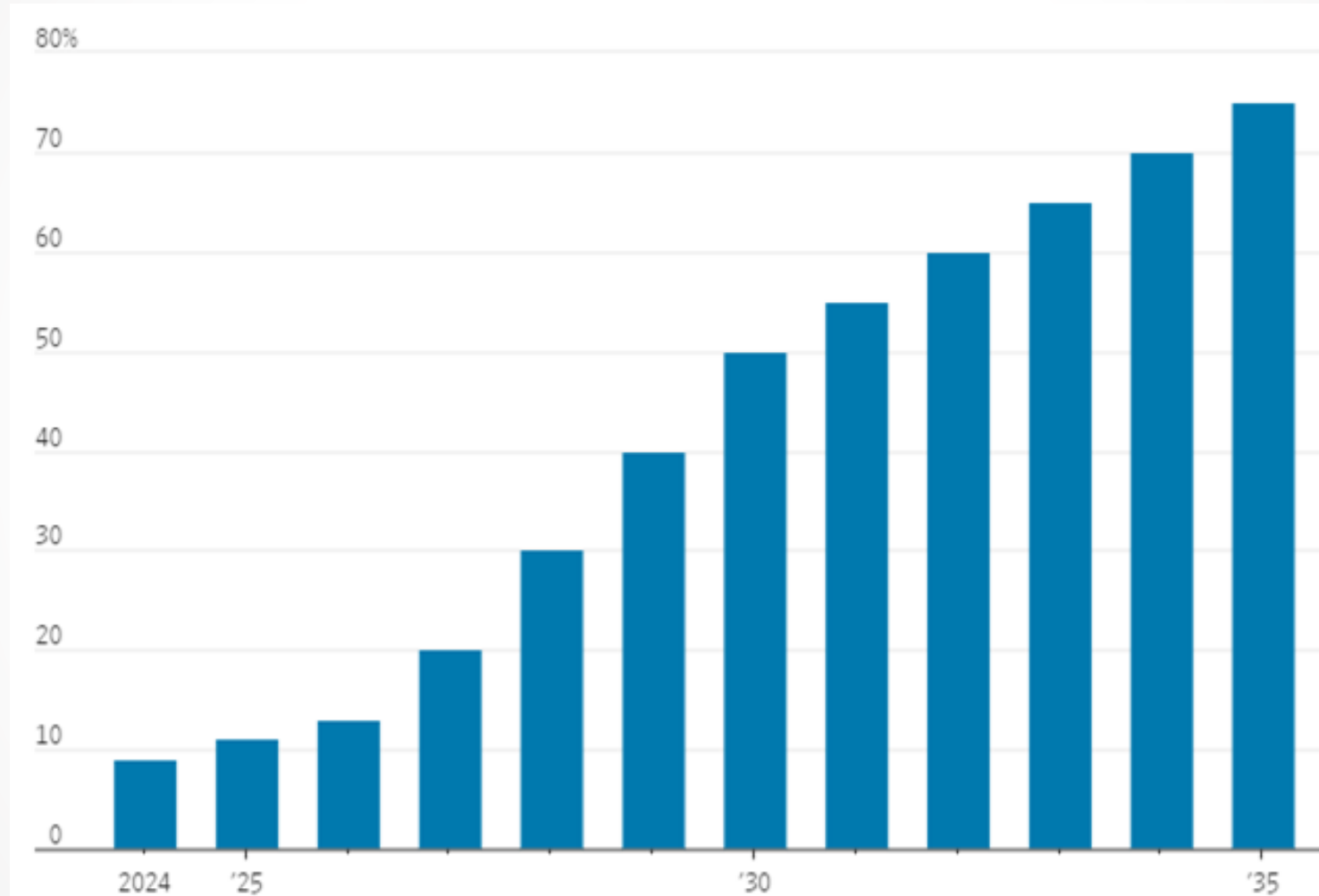
Advanced Clean Truck (ACT) Rule



● Rule Adopted ● Underway ● MOU

**California,
US EPA &
several
states
planning to
adopt ACT
(forced EV
adoption)**

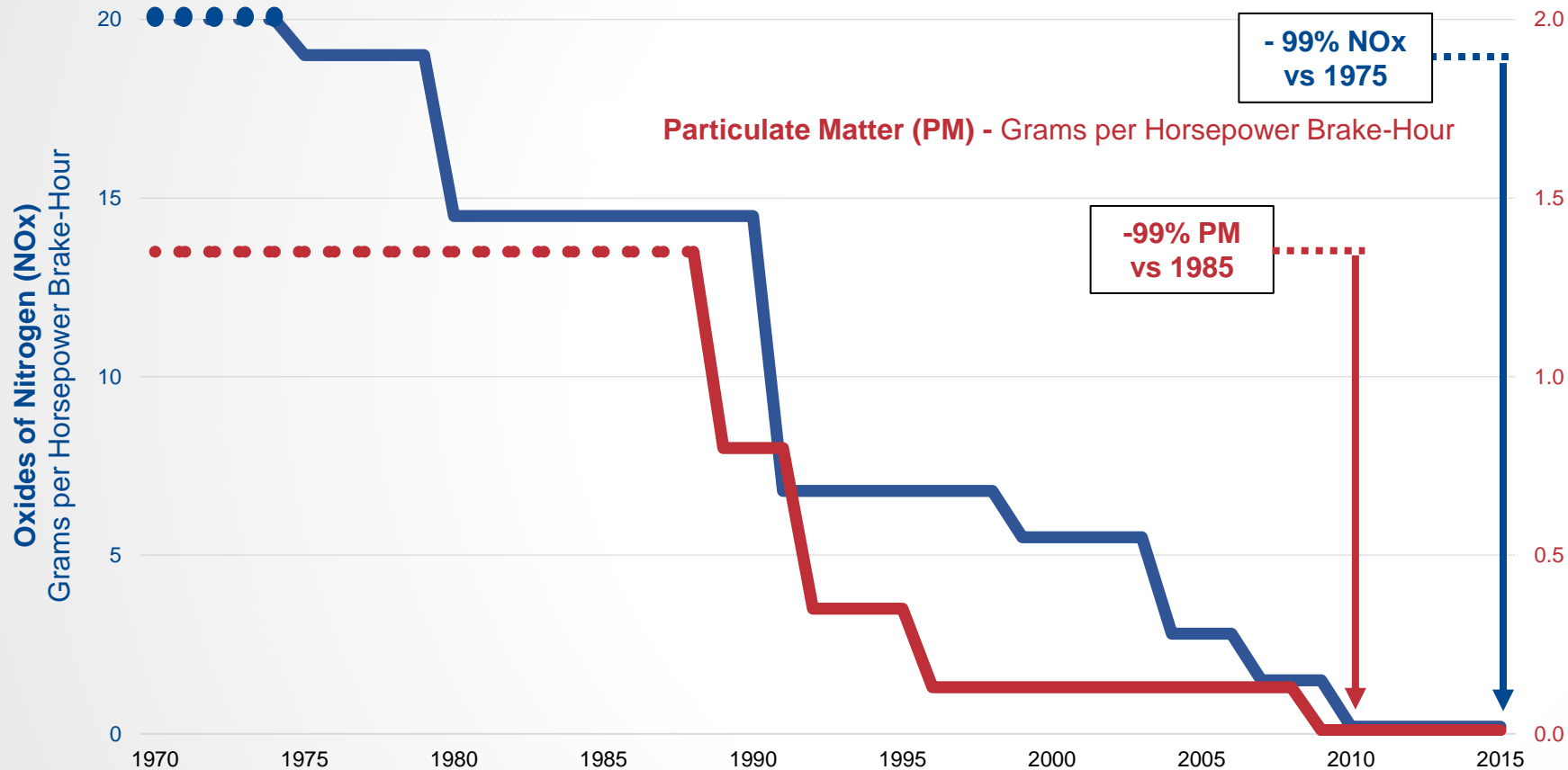
Mandatory Share of Zero Emission Trucks in California; New Federal Rule is Similar



Model years for medium and heavy-duty trucks. Source: CARB

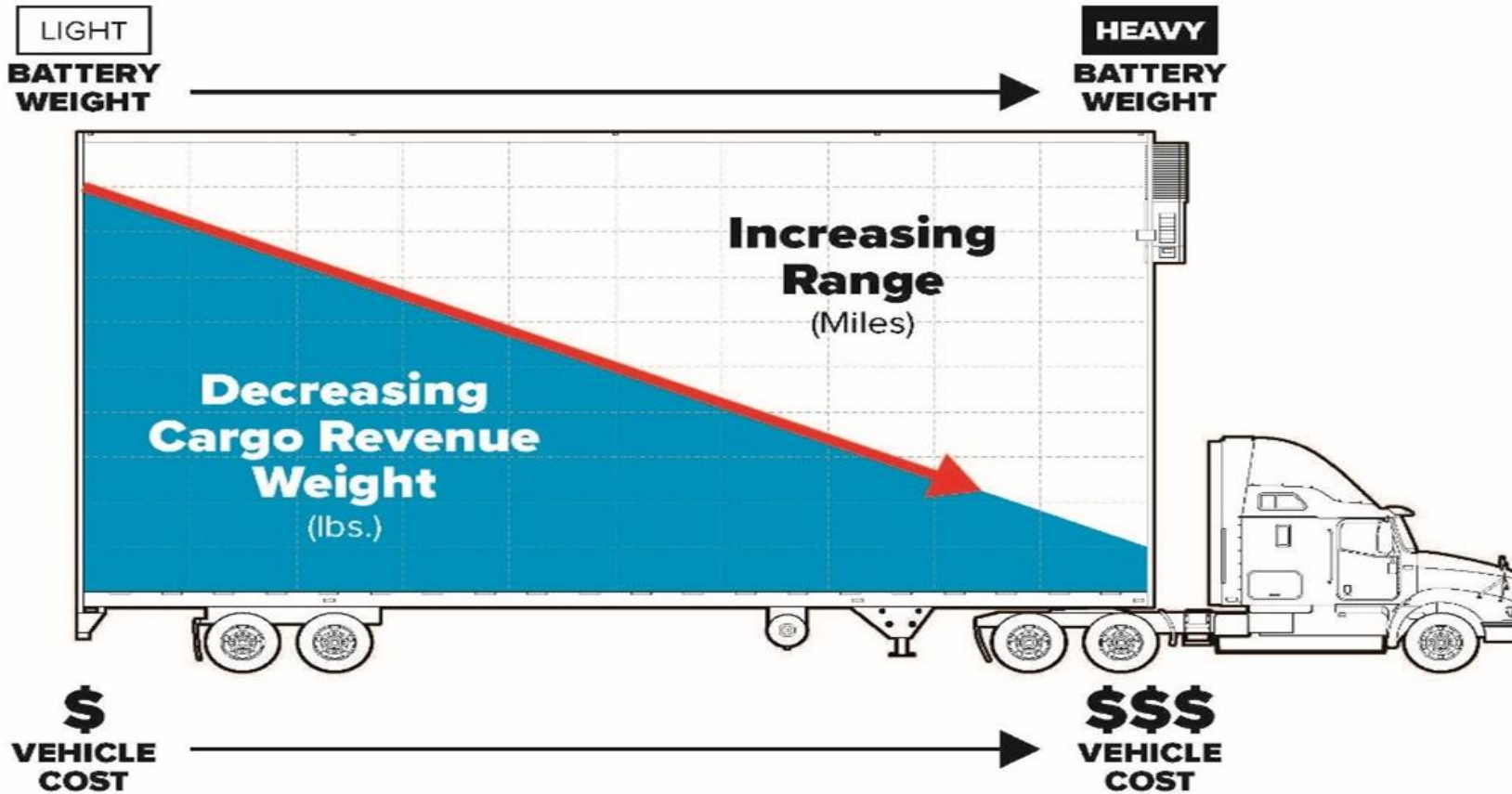
Truck Emissions Over Time

U.S. On-Highway Emissions Standards



- Emissions have been reduced 99%. We are dealing with the remaining 1%
- EPA's 2027 0.035 standard would account for a 75% reduction. OEMs say they can achieve this
- California's 2027 0.02 standard would reduce them a further 98% but OEMs say they cannot achieve it in that timeframe

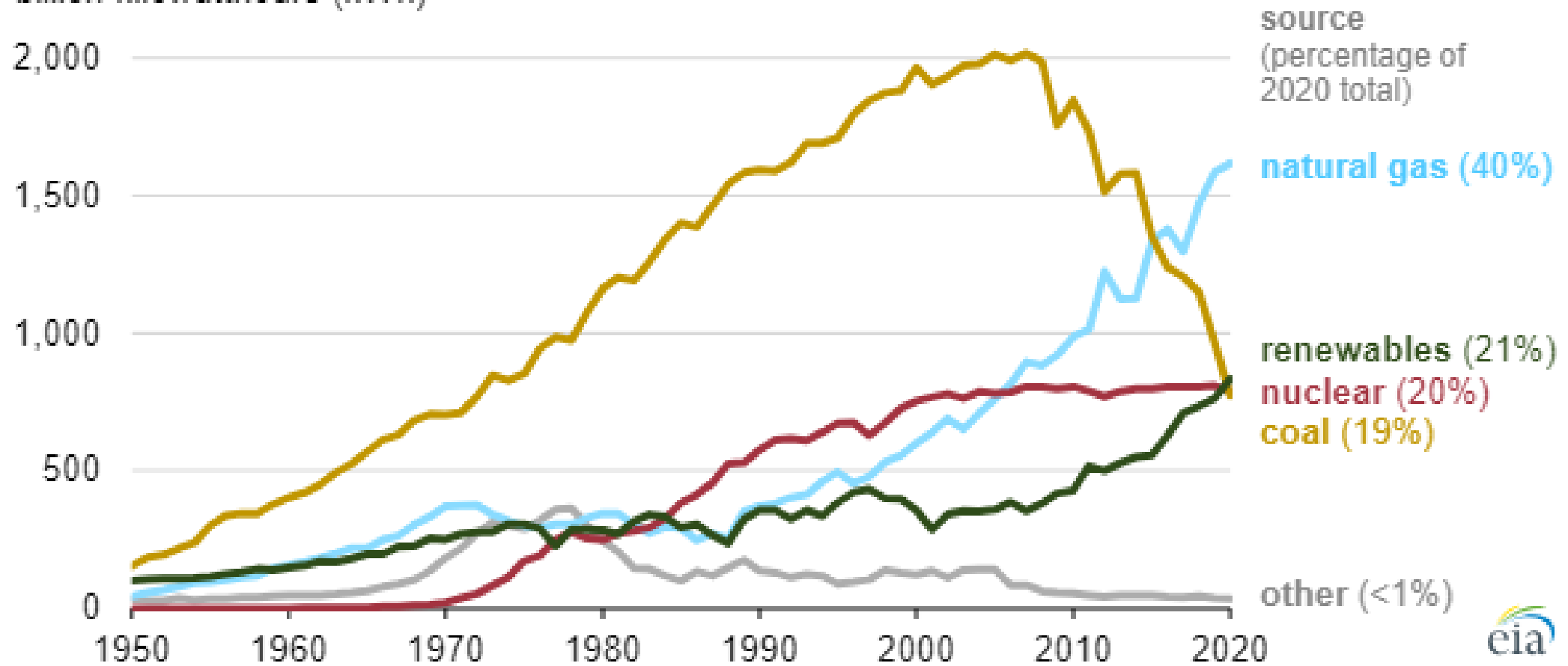
BEV Truck Conundrum



- There are some applications for BEVs but they are limited.
- WSJ Port of LA ride-along: a truck that normally hauls 6 containers/day was able to do 2 in a BEV

Where Does Electricity Come From?

Annual U.S. electricity generation from all sectors (1950–2020)
billion kilowatthours (kWh)



Tailpipe Emissions Are Only Part of EV Environmental Impact



70% of cobalt from Dem. Republic of Congo

>50% of nickel from Indonesian strip mining



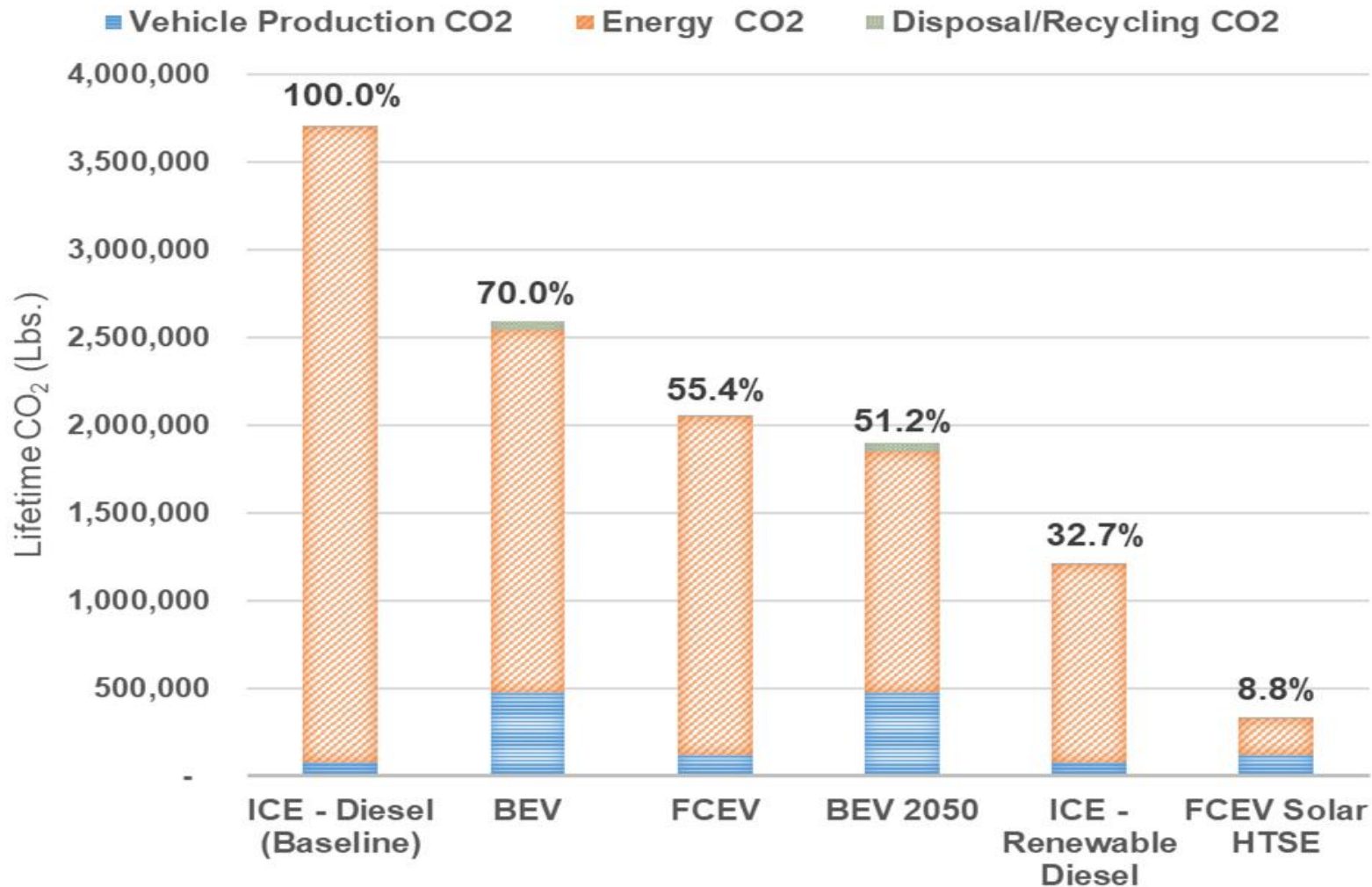
“Modern day slavery...in toxic conditions”

- Harvard Prof. Kara

“One nickel-focused industrial park located on Indonesia’s Maluku islands will burn more coal than Spain or Brazil.”

- Climate Rights International

Lifecycle Study Key Findings



BEV vs. ICE

- ~ 30% lifetime benefit on a vehicle to vehicle basis
- Productivity loss likely requires more BEVs than ICEs; in aggregate the net/net to environment may be worse
- Requires \$trillions in new infrastructure
- Some alternative fuels, hybrids should not be dismissed

Environmental Success Story

60 of today's trucks



would be needed to produce
the emissions of **1 truck** back
in 1988



New Trucks are Cleaner and Safer; Let's Lower Aggregate Emissions Efficiently

The Modern Clean and Safe Trucks Act of introduced in the U.S. House and Senate



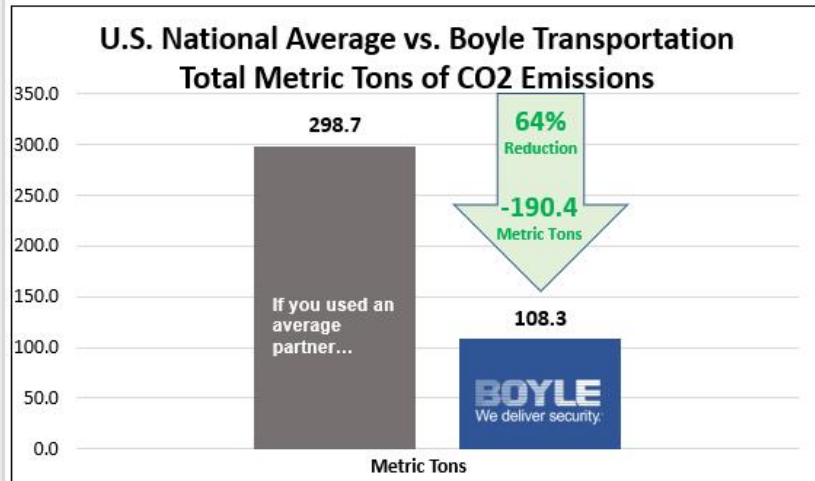
CURRENTLY:

- **12%** excise tax on trucks/trailers is the highest excise tax on a good that federal government levies.
- FET averages **\$25,000 per truck** purchased
- Remove impediments to trade pre-2010 trucks for newer, cleaner vehicles

How Shippers can Proceed with Environmental Improvement

2023 Emissions - Top 10 Lanes by Volume

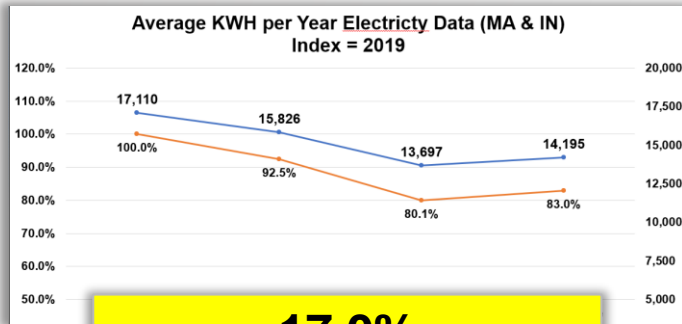
2023 Total	Shipment Total	Distance Total (Miles)	Total Payload (lbs.)	Total Emissions (kg of CO2)	Total Emissions (lbs of CO2)	Total Emissions (Metric Tons of CO2)	Average Metric Tons of CO2 Per Shipment
	393	223,719	5,951,153	108,264.1	238,681.6	108.3	0.28
Top 10 Lanes							
Lane ID	Shipment Total	Distance Total (Miles)	Total Payload (lbs.)	Total Emissions (kg of CO2)	Total Emissions (lbs of CO2)	Total Emissions (Metric Tons of CO2)	Average Metric Tons of CO2 Per Shipment
	135	77,355	1,637,426	30,849.5	68,011.5	30.8	0.23
	100	65,500	1,430,747	30,813.1	67,931.3	30.8	0.31
	100	46,803	2,229,079	34,303.0	75,625.2	34.3	0.34
	36	16,776	421,779	6,462.5	14,247.4	6.5	0.18
	3	1,737	68,000	1,294.6	2,854.0	1.3	0.43
	3	1,402	7,839	120.6	266.0	0.1	0.04
	2	2,070	38,355	1,305.0	2,877.1	1.3	0.65
	2	1,594	54,228	1,421.1	3,132.9	1.4	0.71
	2	1,316	15,981	345.7	762.2	0.3	0.17



Carriers can furnish you environmental impact reports for your shipping lanes

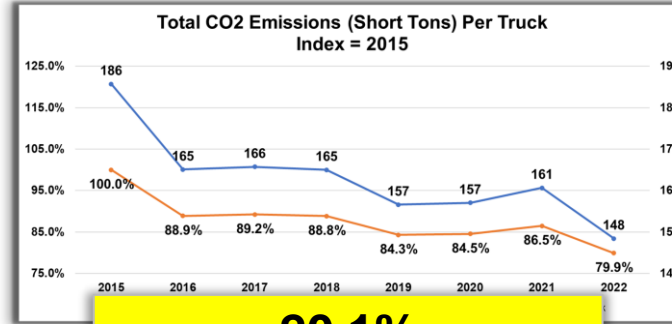
ISO 14001: Measure it & Manage it

Average KWH per Year Electricity Data (MA & IN)



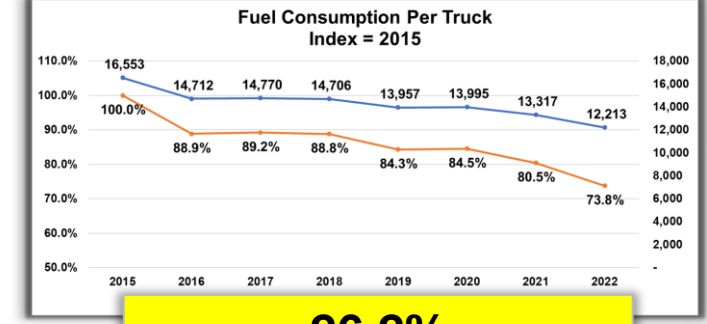
17.0%
Reduction Since 2019

Total CO2 Emissions (Short Tons) Per Truck



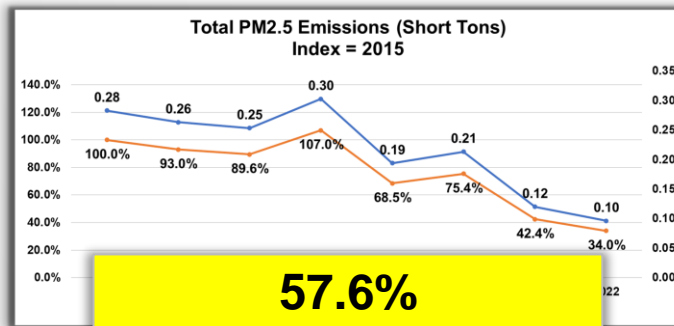
20.1%
Reduction Since 2015

Fuel Consumption Per Truck



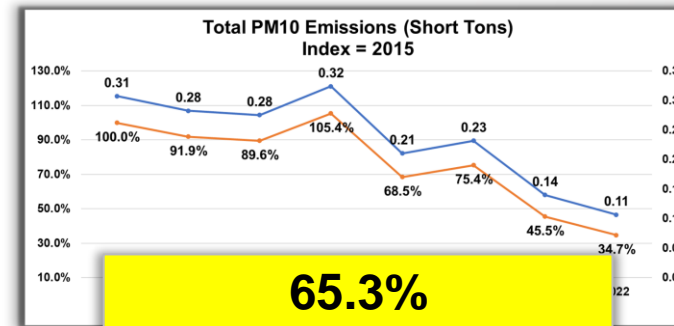
26.2%
Reduction Since 2015

Total PM2.5 Emissions (Short Tons)



57.6%
Reduction Since 2015

Total PM10 Emissions (Short Tons)



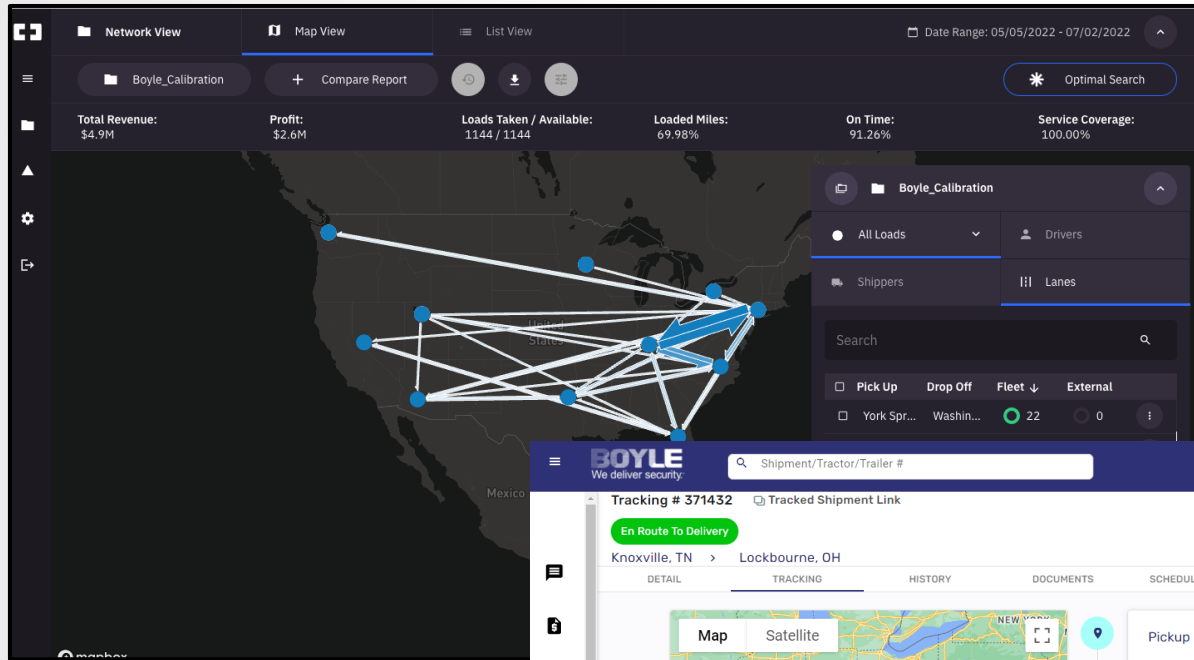
65.3%
Reduction Since 2015

What Can You Do as a Shipper or Forwarder Now?

- Weigh environmental performance in carrier selection (it costs money)
- Enroll in EPA Smartway
- Measure carrier environmental performance:
 - ISO 14001 Certification
 - EPA SmartWay Carrier Performance Rankings
 - Carrier-provided CO2 reporting for your shipments
 - Don't ship on trucks older than X years; new trucks are cleaner & safer
 - Avoid optics and window-dressing; EVs are not necessarily cleaner

Applied Technology

How does trucking apply AI? Optimization, safety, maintenance



The tracking interface for shipment #371432 shows the following details:

- Tracking # 371432** - Tracked Shipment Link
- En Route To Delivery** - Knox, TN to Lockbourne, OH
- Map** - Shows the route from Knoxville, TN to Lockbourne, OH.
- Pickup** - GlaxoSmithKline, 1704 Midpark Road (DHL), 5415 Beard Dr Shipping & Recei, Knoxville, TN 37921, USA. Arrived: 2024-03-07 04:25:49.350. Picked up: 2024-03-07 10:19:32.0.
- Delivery** - AmerisourceBergen National DC, 6301 La Salle Dr, Lockbourne, OH 43137, USA. Planned: 2024-03-07 22:00:00.0.
- Services** - Constant Surveillance Service, Trailer Tracking.
- Customer Reference** - Service Level: DD, PO Number: 1008819962.

Source: Boyle Transportation



Thank You