

SmartWay for Carriers 101

Webinar Questions & Answers

Tuesday, April 14, 2009

Q: A fleet with all class 8 tractors with full skirting and 53 foot reefers, what we need to do going forward on new equipment orders to have our reefers SmartWay certified?

A: SmartWay is currently looking at alternate configurations beyond the SmartWay sleeper/dry van vehicle. These will be announced on our website as they are developed. Additionally, SmartWay is working on a heavy-duty truck test procedure to be used to determine on a performance rather than an equipment base, what trucks can be labeled as SmartWay tractors or trailers.

Q: Are there different categories based on vehicle sizes? Or is it blended number for all types?

A: Fleets will not be segmented based on vehicle size, but rather type of fleet and operational characteristics. Vehicle size will play into a fleet's efficiency for the g/average payload ton-mile and g/average volume metrics. Larger and longer combination vehicles will have inherent performance advantages in these two metrics. Gram/mile metrics will favor smaller lighter fleets. Companies will be able to benchmark the performance of their individual classes of vehicles with industry averages and ranges in the model for their informational purposes.

Q: Is there a rating based on geography? i.e. Canada or USA?

A: We are treating all geographic regions (US and Canada) the same. However, shippers may hire only regional fleets, so if a region is very cold year-round, the shipper would be choosing from the fleets in that operational area. In that case, the emission factors from fleets in that area would be equally influenced by the cold weather operation.

Q: How does the model take into consideration engine size, tires size or gear ratio?

A: All of these factors play into a truck's g/mile, g/avg-payload ton-mile, or g/avg volume-mile efficiencies.

Q: Is there a different rating for gas versus diesel?

A: There are different emission conversion factors for CO₂ for diesel versus gasoline. Other than the different conversion factors, the model does not differentiate between fuel type. Choice of fuel type is at the discretion of the fleet owner and is a function of the fleet's overall efficiency.

Q: Are you working with any of the larger transportation management providers such as TMW or McLeod to integrate your reporting requirements into their systems?

A: Yes. A large number of software providers are planning to incorporate SmartWay emission factors into their software.

Q: In regards to possibly integration into transportation management systems, I'm specifically asking from the standpoint of a logistics partner. If it were possible to integrate SmartWay carrier data into our existing carrier databases, it would greatly facilitate the identification and selection of SmartWay Partner Carriers.

A: SmartWay 2.0 is designed to provide greater differentiation among transportation providers. The SmartWay database with carrier bin numbers (not individual company data) will be publicly available.

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Q: Bio diesel, how do report different grades?

A: Because CO2 factors for biodiesel are a linear function of their grade, you only need to report the total gallons used. For example if you use 1000 gallons of B10, you would report 1000 gallons of diesel and 100 gallons of biodiesel in the model. The model then multiplies 900 gallons x the diesel conversion factor and 100 gallons x the biodiesel conversion factor.

Q: Do we still report on just Company own units and not owner-operators units?

A: Company owned units will be reported using the carrier fleet model. If you hire third party entities for a division of your company, you will use the logistics model to report/determine the efficiency of that division. If the operations are indistinguishable from a shipper standpoint, you would need to report a weighted average of all operation efficiencies in your fleet. Example: Your company trucks carry 95% of your freight with a 1500 g/mile CO2 efficiency, and you contract 5% of your business with owner operators who collectively (after filling out the logistics model) have an efficiency of 2000 g/mile. $.95 \times 1500\text{g/mile} + .05 \times 2000 \text{g/mile} = 1425 + 100 = 1525 \text{g/mile}$.

Q: For a third party logistics company, will they also be required to file the 2.0 and is this the same program that we will be required to fill out?

A: Third party logistics will use the SmartWay 2.0 logistics model.

Q: Looking forward to EPA10, will you address the differences in engine and emission after-treatment technologies?

A: No. These are a function of overall efficiency and will be included in your g/mile, g/avg payload-mile, and g/vol-mile metrics.

Q: How will the carrier obtain access to this new way to input this information?

A: All SmartWay 2.0 models will be available via download from the SmartWay website. There will be internal and external help manuals for the models.

Q: How would you address private fleets without SCAC codes?

A: The model will ask for company division name instead of SCAC code and shippers will need to input the company division name instead of a SCAC code.

Q: In a LTL world where the tractor does multi stop during the day and transport at night between terminals, how is this unit accounted for in the model?

A: The same as any other truck. A company's efficiency stems from its technology and operations. We will however segment TL from LTL carriers so that a shipper may choose the best LTL, or the best TL carrier within class.

Q: If a carrier has multiple divisions - is each division scored or do you just calculate overall score for the carrier?

A: Both. By division and overall.

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Q: On the new model are we not going to have to enter all the counts and hours for each technology installed on tractors and trailers. For example number of hours for APU's and number of trailers installed with skirts. I used my last model as a source for GHG savings in documents and presentations a lot and I hope with the new model I will be able to still do so. I will continue to need a source to help management decided what to invest in to meet our GHG reduction and fuel cost reduction plans.

A: Individual technology will not be entered in SmartWay 2.0 during the 2009 fleet year. You are free to continue to use the old model for internal purposes and the old model will remain on the website. In 2010, once 2.0 has been optimized, we will begin development of a more useful and user friendly model that will function like part 3 of the old FLEET model. This tool will not be used in rating a company, but will rather be geared toward internal diagnostics within a company regarding technology or operational practices. All assumptions within part 3 of the FLEET model will be reviewed and updated based on current technology and information. This tool may be available in 2011.

Q: Our Company has struggled to keep our fleet model current. We now have a person that is dedicated to this and other green functions. Do we just complete the 2008 data now and then version 2 later?

A: 2.0 is required in 2009. The old FLEET is optional, but required if you want to apply for the SmartWay awards.

Q: Where would a hybrid tractor data be entered?

A: It would not. Its efficiency will be included in the overall fleet's efficiency.

Q: Our fleet is predominantly owner operator based. Should we report company owned vehicles only or do we need to collect information from each individual o/o and combine?

A: Both, and combine.

Q: What do you need to achieve in order to be able to use the Smart Way Logo? If we opt not to complete the existing model but wait for 2.0 we are therefore given a default SIF of .75 - does this allow us to use the logo?

A: No. If you want to use the logo in 2009, you either need to have qualified as of last year (carries forward) or complete an old FLEET model and score a 1.25 SIF score.

Q: Does the model have categories for Hybrids and all electric vehicles?

A: No. These vehicles will be included in the fleet's overall efficiency. A hybrid will use less fuel, producing less CO₂, which will improve a fleet's efficiency.

Q: Is there going to be a way to compare Non Asset or Owner Operator based companies?

A: Owner operators will fill out the carrier model. A non asset based carrier (doing business with multiple carriers) will likely have to fill out the logistics model.

Q: What about having a breakdown by engine year model of the mileage so that if you have old trucks that you don't use as much it will not hurt you as bad on the emissions?

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A: CO2 is calculated from gallons used, so a breakdown is not needed. For NOx and PM, we do breakdown by engine model year and mileage per class. It would improve the accuracy of NOx and PM emissions to attribute miles per model year; however we felt this was initially too much data to request. We will consider it for future model iterations.

Q: What if we have already completed the old model using 2008 data?

A: You will need to complete a SmartWay 2.0 model this year.

Q: what is an 8B?

A: Vehicles with a gross vehicle weight over 60,000 lbs. (Your typical 18 wheeler semi)

Q: what are the truck classes?

A: 2b-8b

Q: what is a SIF score?

A: The SIF score is an indicator of a company's efforts to improve their fuel economy in the old SmartWay FLEET model. Carriers can obtain a .75, 1.00, or 1.25 SIF score based on their overall SmartWay score. The SIF score is then used in the shipper model to weight the benefits to a shipper for using that particular carrier. A carrier with a SIF score of 1.25 will give a shipper 25% more "credit" than a carrier with a SIF score of 1.00.

Q: What is the advantage to join SmartWay and obtain an SIF score?

A: Many companies (shippers) now require SmartWay participation to bid for freight.

Q: Will the Shipper's Performance Score in the 2.0 Model be the factor for 2010 Shipper Partner Excellence Awards?

A: Yes

Q: Please provide examples of what is meant by fleet segments.

A: Joe's Trucking -Truckload Division, Joe's Trucking- Intermodal Division.

Q: Will there also be a new model for 3PL's?

A: Yes

Q: Will there be a category based upon regional operation? Example Alaska based trucks that cannot use low rolling resistant tires, trailer skirts due to ice buildup, No. 1 diesel fuel due to low ambient temperatures, etc.? Thank you

A: No.

Q: Will there be a way to compare peer groups by fleet size?

A: We will have the data to do so. We will consider adding this as an additional benchmarking tool.

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Q: will there still be a SIF score with model 2.0?

A: No. There will be efficiency scores. A carrier will most likely fall into one of ten performance bins. They may be in different bins for the different metrics. For example a carrier might be in the best bin for the g/mile, but in a middle bin for g/avg payload ton-mile.

Q: Will we be able to see the tractor manufacturer when comparing this data

A: No

Q: Will we be breaking down the use of APU's, bunk heaters, etc.?

A: No

Q: If we have already filled out an old model, will the new model change our score?

A: Because the basis for comparison is changing, your score will change. It is possible a carrier's relative ranking could change.

Q: Please define "Truck Class".

A: Trucks are grouped into classes based on gross vehicle weight.

2b=8,501 to 10,000

3=10,001 to 14,000

4=14,001 to 16,000

5=16,001 to 19,500

6=19,501 to 26,000

7=26,001 to 33,000

8A=33,001 to 60,000

8B= over 60,000