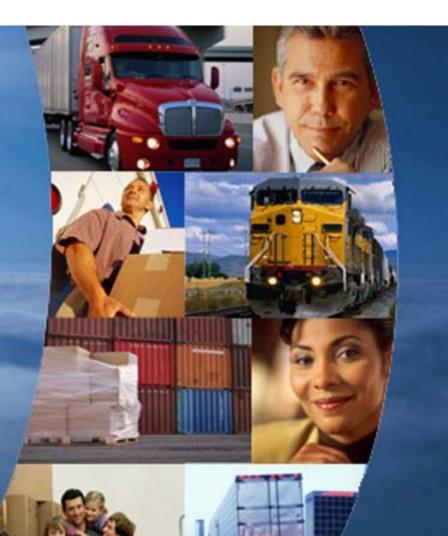


A stronger economy.

A healthier environment.

SmartWay Transport Partners

DELIVER.



SmartWay Transport Partnership Overview

January 2004

What is the SmartWay Transport Partnership?

- Voluntary partnership with the ground freight industry challenging companies to improve the environmental performance of their freight operations
 - Partnership includes carriers, shippers, and related companies
- Emission Reduction Goal
 - 33 to 66 million metric tons CO_2 annually by 2012
 - 200,000 tons NOx annually, plus PM and air toxics benefits
 - 150 million barrels of oil each year (12 million cars off the road)
- Three major SmartWay Transport components:
 - Corporate Partnerships:
 - National Transportation Idle-Free Corridors:
 - Rail/Intermodal:

Why Do We Need SmartWay Transport?

Truck and Rail:

- Travel over 200 billion miles
- Consume over 35 billion gallons of fuel
- Account for nearly 20% of transportation related energy use
- Produce approximately 350 million metric tons of CO₂

Over the next decade this impact will increase dramatically

- Increasing internet sales
- Just in time delivery



45 Billion Gallons



Current SmartWay Transport Partners

Carriers

Federal Express* **HEB Grocery* Roadway Express*** Schneider National, Inc.* Swift Transportation* United Parcel Service* Yellow Transportation* American Cartage Computers **Averitt Express Bison Transport** Camionage C.P. **Commercial Transportation** FMI West International Motor Freight Lakeville Motor Express McKelvey Trucking Company Paschall Truck Lines Inc

Metropolitan Trucking Southeastern Freight Lines Texas DOT Texas Star Express TP Freight Lines CSX Transportation (railroad)* Brauns Express GI Trucking

Arnold Transportation Services Estes Express Vitran Logistics AMI Transport Service

Shippers

Canon, Inc.* Coca-Cola* IKEA* Interface* Nike* Norm Thompson* The Home Depot* Dell

Press Event Unveiling SmartWay Transport

- Now that the program is fully developed and active, we are hosting a press which will:
 - Include new EPA Administrator
 - Acknowledge our Charter Partners for their help in building the program
 - Recognize all Partners that have joined
 - Discuss the emission reductions associated with our first wave of partners
- Event will be at the American Trucking Association's Leadership meeting
 - February 9th in Washington DC
 - All Partners are invited to attend

How Do Shippers Become Partners?

- Majority of reductions will come from Carriers, Shippers will "leverage" carriers into the program
- In the first 3 year phase of the SmartWay Program, we require that shippers:
 - 1. <u>Commit</u> to ship over 50% of their goods with SmartWay Partner carriers
 - 2. Assess and commit to improve their facility transportation emissions:
 - Forklifts, generators, loaders
 - Amount of truck idling at facility

• Shipper partners can use the logo when they:

- <u>ARE</u> shipping 50% of their goods with SmartWay Partner carriers
- OR, for shippers using more than 40 carriers, have at least 20 carriers in the program (these shippers still must commit to 50%)

How Do Carriers Become Partners?

- Any size or type of carrier can join
 - Measure current environmental performance with FLEET Model
 - Commit to improve that performance within 3 years
 - Commitments must be tangible, quantifiable
 - Sign Partnership Agreement
 - Report annual progress
- Carrier partners can use the logo when:
 - Demonstrate superior environmental performance with FLEET
 Model
 - Allows some carriers to qualify <u>immediately</u>
 - Intended to capture the top 10-20% of the industry (generally, the largest companies)
 - > These carriers must also commit to continued improvement

The SmartWay Transport FLEET Model

- <u>Freight Logistics Environmental and Economic Tracking</u> Performance Models
 - Carrier version measures the environmental performance of any fleet by:
 - Calculating tons of CO₂, NOx, and PM
 - Calculates the amount of emission reduced from technologies/strategies integrated into fleet over a one year period
 - CO₂ Environmental Performance = CO₂ emissions removed / total CO2 emissions
 - Peer review process completed
 - Shipper version measures the environmental footprint of freight operations
 - Tracks percentage of goods shipped with SmartWay Transport Carriers
 - Calculates tons of emissions from contract trucking
 - Calculates tons of emissions from transportation related facility sources:
 - Forklifts, loaders, cranes, idling trucks

The SmartWay Transport Partnership Logo



December 3, 2003

Daus Normandin President Braus Express 10 Tanlem Way Hopedals, MA 01747

Dear Dave :

RE: EPA SmarfWay³⁵¹ Program

The Home Depotees is to minimize it environmental footprint. A key focus of is induction of emissions include to finight handling. Accordingly, The Home become a charter member of a new HPA Program called "SmartWay Trans-

SmarfWaySM Transportis a toluniary partnesship program that a table for shippen and carries to work to gether to measurably induce green member of SmarfWay. The Home Depoteommit to increasing the p SmarfWaySM Transport carries one the next thme year. Carries Partness by committing to improve the text the lefticiancy with innovat practices. SmarfWaySM Transport carries measure technical and by including an Hmise ions Calculator to 1, listing on to far officiaries im bulleting, and personal sections that missions in advantion afforts.

The Home Depotetiongly encourages all it carries partients to join 2 participation in SmartWay/SM will provide tangible benefits :

- Fuel Savings Long Term Cost Savings
- Preference in IHD Logistics Sourcing activity
- "Gmen" In 25 appeals to environmentally of as to growing groups of environmentally of Rechnical and infrastructure support for Kally around an ind withy standard for

Seit <u>www.spa.got/emartway/hans-po</u> wetions you may contact Matt Pays Japot.

incensly,

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Wayne G. Paul fice President Transportation Services



2ND DAY AIR









IdleAire Service Delivery Module

