

J. J. Keller & National Private Truck Council (NPTC) Webcast
Electronic Logging Devices
Wednesday, March 23rd, 2016



Electronic Logging Devices

Gary Petty
President & CEO
National Private Truck Council

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National Private Truck Council

J. J. Keller
& Associates, Inc.
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Meet Your Presenters

Gary Petty
President & CEO
National Private
Truck Council

Tom Moore, CTP
Senior Vice President
National Private
Truck Council

Tom Bray
Senior Transportation
Management Editor
J. J. Keller & Associates

Jeff Newey
Manager
Deseret
Transportation

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Regulatory Background

Thomas Bray
Sr. Editor, Transportation Management
J. J. Keller & Associates, Inc.


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ELD Final Rule

- Published December 16th, 2015
- Applies to the majority of CMV drivers subject to logging rules in Part 395
- Exceptions:
 - Short-haul and intermittent drivers, provided...
 - Driveaway drivers
 - Drivers operating a vehicle older than MY 2000




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ELD Use

- No exceptions for:
 - Small fleets
 - "Small" vehicles (non-CDL vehicles)
 - Leased or rented vehicles
 - Lease or temp drivers
 - "Non-trucking" motor carriers




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ELD Technical Requirements

- ELD must automatically capture "data set"
 - Date, time, location (1 or 10 mile accuracy), vehicle miles, engine hours, driver, vehicle, carrier
- Data set capture required:
 - At startup and shutdown, at each change of duty status, once per hour when vehicle is operating, and at start and end of "personal use" or "yard time"




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ELD Technical Requirements



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- Automatic duty changes
 - Driving
 - On-duty is default duty change when stopped
 - Automatic duty changes using “anchoring” or “geo-fencing” are NOT allowed
- Data combined with driver entries to create record of duty status
- ELD does NOT have to be in communication with back office or provide real-time tracking



Drivers



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- Driver entries
 - Responsible for logging in and out, and non-driving duty changes
 - Edits to correct errors or omissions
 - Noting the use of any exception
 - Driver only “prompted” in two situations
- Driver must “certify and submit” log within 13 days
 - Carrier must retain record for six months
- Driver MUST have access to all records for past 6 months



Unassigned Driving



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- Driver must be offered any unassigned driving on the device
- Back office portion of system must include “unassigned driving” account
 - Carrier must assign or explain all unassigned driving
- To help reduce unassigned driving, two “special driving” categories are allowed
 - Personal use
 - Yard movement





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Edits and Updates

- All changes must be tracked and cannot “overwrite” original
 - Original and all associated records must be kept
- Driver prompted to authorize all changes by “recertifying” log after changes
- Supervisor made changes will exist, even if driver does not recertify, but will not be part of the official record until driver approves


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Roadside Inspection

- Roadside inspections
 - Display or printout must show records for today and previous seven days
 - Driver must be able to send digital record to officer using standard data format
 - Telemetric option: website and email
 - Local option: Bluetooth and USB 2.0


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Timeline

- Final rule published December 16th, 2015
- Compliance date: December 18th, 2017
 - Use required
 - All devices sold and installed must meet ELD standards and be on FMCSA's ELD registry
 - Devices sold and used between now 12/18/17 must meet the "AOBRD" requirements in §395.15
- “Grandfathering” for automatic on board recording devices (AOBRD) ends December 18th, 2019


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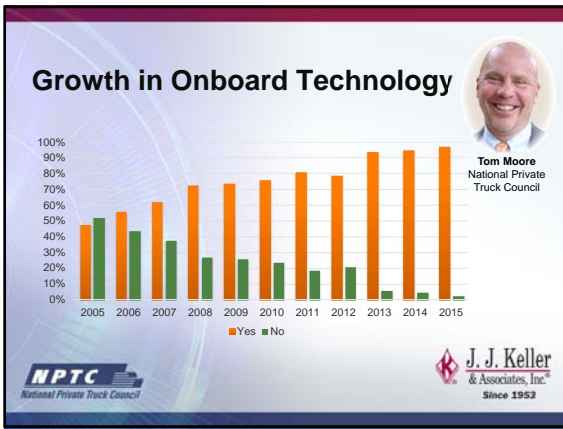
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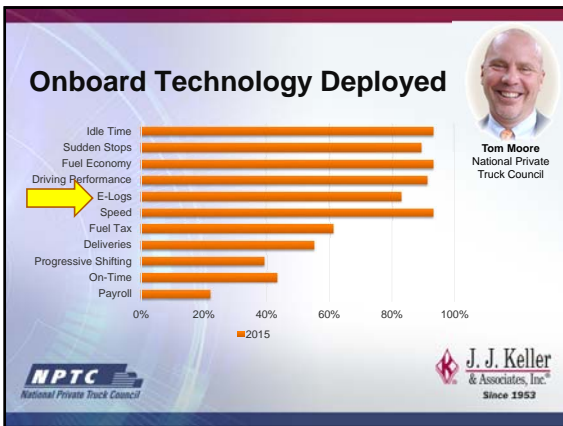
Beyond Compliance

Tom Moore CTP
Sr. Vice President
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Primary Benefits of ELDs

- Improve compliance
- Enhance corporate visibility
- Optimize staff support and compliance
- Reduce driver hassle
- Provide more data



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Roadmap Towards Successful Implementation

- Build a relationship
- Educate team members
- Sell the benefits
- Communicate early and often
- Make it their idea
- Target key employees
- Support integration internally
- Be patient



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Clear Communications

- Know what you want and say so
- Ask questions and LISTEN
- Clarify assumptions
- Provide the right tools



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Getting Compliant

- Anticipate a flood of new products
- Train all staff
- Look for integration opportunities
- Develop data management aptitude
- Establish clear expectations




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Deseret Transportation

The private fleet of the Welfare Services Department of
The Church of Jesus Christ of Latter-Day Saints



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Welfare Services

- As disciples of Jesus Christ, members of the church strive to follow His admonition to feed the hungry, clothe the naked, give drink to the thirsty, and visit the sick and those in prison
- When members, with the help of their families, cannot meet their basic needs, they can turn to their local bishop (lay minister) for temporary assistance



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Welfare Services



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- The church operates a vertically integrated food production system to provide food and other commodities to help bishops care for those in need
 - 51 farm projects
 - 12 canneries/packaging facilities
 - 35 storage/distribution facilities
 - 112 storehouses (food pantries)
- Provides emergency relief supplies for disaster response efforts
- Deseret Transportation hauls the freight (seed to shelf)

Over-the Road & Local Fleets




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- 2 fleets, 27 drivers
- Sleeper and day cab tractors
- Dry van and reefer trailers
- OTR drivers run about 140,000 miles per year
- Local drivers run about 50,000 miles per year
- Haul dry and refrigerated freight
- Operate in United States and Western Canada






Agricultural Fleet



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- 13 drivers
- Mid-roof and day cab tractors
- Grain sets, belt trailers, milk tankers, flat beds, RGN
- Haul fresh vegetables and grain from the field, milk from the dairy farm, and move combines and other farm machinery

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Deseret Transportation ELDs

- Started using ELDs in 2007
- Updated our ELDs in 2015



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2007 Needs

- Communicate with drivers
- Tracking equipment
- ELDs
 - Part of services provided
 - Reduce paperwork
 - Improve back office compliance
- Reduce labor costs



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2015 Needs

- Simplify workflow
- Simplify back office processes
- Replace aging hardware
- Better value and less cost



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Vendor Selection

2007

- Satellite communication
- Existing integration with dispatch software
- Very limited number of providers

2015

- Satellite communication
- Existing integration with dispatch software
- Increased functionality
- Better performance indicator reporting
- A few more providers



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Technical Considerations




- Internal firewall
- Dedicated poller
- Additional software for integration with other systems (dispatch, payroll)
- System configurations
 - Driver groups
 - Vehicle groups
 - Operating parameters



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Hardware Considerations

- Type of driver interface
 - Fixed in cab
 - Mobile
- Installation
 - In-house or hired
 - Location of antennas, computers (OBC), display, wiring
- Maintenance
 - Replacements
 - Spares



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Integration With Other Systems

- Dispatch
 - Drivers
 - Tractor/Trailer
- Payroll
- Taxes



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System Configuration Considerations

These two aspects can potentially impact future benefits:

- Operations
 - Geo-fences
 - Alerts
 - Automatic duty status changes
- Data mining
 - Driver groups
 - Tractor groups



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Driver Alerts

- Speeding, hard braking, etc.
- Hours of service warnings
- Messages



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Data Management

- **Log Audits**
 - On-duty status for
 - > Fueling
 - > Inspections
 - > Dock time
- **Response to violations and alerts**
- **Log adjustments**



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Dispatch Preparation

- **Need to be on board**
 - How will it help them?
 - How will it help drivers?
- **Need to know how to respond to minor problems**
 - In-cab device problems
 - Communication problems
 - Downtime




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Driver Preparation

- **Will still be responsible for good trip planning**
- **Will still have flexibility**
- **Opportunity to become more tech savvy**
- **Must know that it is not because they are not trusted or that they are being micro-managed**



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Back Office Preparation

- Will see the biggest change
 - More opportunities to judge, micro-manage and second guess
 - More complication, more systems to manage
 - Great potential to negatively impact driver productivity with processes:
 - Be consistent
 - Be principled
 - Training time will be significant and long




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Implementation Time

- Learning curve will be anywhere between two weeks for tech savvy drivers to 6 weeks for drivers that are not savvy
- A good strategy is to start with tech savvy drivers:
 - More likely to have a good experience
 - Great mentors for other drivers
 - Provide good feed back for modifications
- We took 4 months to fully implement




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Lessons learned

- No labor reduction; just redefinition of roles
- Large amounts of data; had to learn what to ignore and what to act on
 - Poor use of data reinforced negative perceptions of drivers
- System setup and parameters were very important
 - Vendors have standards "what most companies do"
 - Had to learn the "why" of the standards in order to adapt
- No forgiveness—10 seconds is a one minute violation



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Lessons learned

- **Driver acceptance**
 - Make it simple as possible
 - Still have flexibility
 - Trip planning is still important
 - Generally like eliminating paper logs
 - ELD's can be manipulated
 - Law enforcement usually does not bother checking ELDs (this may change)
 - Do not reinforce negatives
 - > "Watching 24/7"
 - > Watch with a purpose and explain to drivers



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Question & Answer Session

Please continue to submit your questions.



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Thank you for participating!





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Join us for our next webinar:

Hours of Service

Thursday, March 24th, 2016 @ 10AM Central

Visit www.jikeller.com/nptcinfo for more information



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