Managing Your CSA Scores

This webcast will cover ...

• The new regulatory environment
• How FMCSA is looking at improving the regulation
• How fleets are using CSA to monitor and improve their safety performance
• Question & Answer

Moderator
Dr. Gary Petty, President & CEO, NPTC

Panelists
Tom Moore, CTP, Senior Vice President, NPTC
Kris Wylie, CDS, Fleet Safety and Compliance Manager, Univar.

Attention Attendees:
+ Thank you for attending!
+ The presentation will start in a few minutes at 10:00 AM Central.
+ You will be muted during the event.
+ Please use the Question feature to text questions to "Q & A." We'll try to answer them during the Q&A period if they are not covered in the presentation.
+ The slides and recording will be posted within 7 days at:
  http://www.jjkeller.com/nptcinfo

Dr. Gary Petty
President & CEO
National Private Truck Council

Managing Your CSA Scores

May 14th, 2014
Introduction

- Regulations – Tom Bray
- Policy and Procedure Best Practices – Tom Moore, CTP
- Univar’s Program – Kris Wylie
- Housekeeping issues:
  - You will be muted during the event.
  - Please use the Question feature to text questions to the Q&A Panelist. We’ll try to answer them during the Q&A period if they are not covered in the presentation.
  - If you lose sound at any point, you can dial-in by phone using the number and Pass Code listed below.
  - If you lose the program window and need to re-login be sure to enter a different e-mail address to avoid being denied access for multiple logins.

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

CSA Overview

What is it?
- It is an enforcement system to track, measure, monitor, and evaluate carrier (and driver) compliance and safety
- Used to select carriers for warning or investigation
  - Carriers that score poorly are selected for “interventions”
  - It is NOT new regulations
CSA Overview

CSA process:
- Data collection
- Safety Measurement System (SMS)
- Safety Evaluation (Fitness Determination) based on SMS scores (BASIC scores)
- Comprehensive and progressive interventions

CSA Data

Data collection:
- Roadside inspections
- DOT-recordable crashes
- Investigations

CSA Measurement

SMS
- Uses seven “BASICs” (Behavior Analysis and Safety Improvement Categories) to analyze carriers
- Measures safety performance using all safety-based violations listed in “severity tables” discovered during roadside inspections, violations discovered during investigations, and crashes
CSA Measurement

Seven BASICS
- Unsafe Driving (Parts 392, 397, etc.)
- Hours-of-Service Compliance (Parts 392 and 395)
- Driver Fitness (Parts 383 and 391)
- Controlled Substances/Alcohol (Part 382 and 392)
- Vehicle Maintenance (Parts 392, 393, and 396)
- Hazardous Materials Compliance (HM regulations)
- Crash Indicator

CSA Measurement

BASIC scoring process overview:
- Carriers are “Measured” and then compared (Scored)
- Relevant intervention, inspection, violation, and crash data assigned to the carrier
- Violations and crashes are classified into the correct BASIC
- Events are time weighted and severity weighted (valued)
- BASICS are totaled and normalized (BASIC Measure)
- Carriers are grouped into “Safety Event Groups” based on number of events and then compared
- Percentile rank within SEG group assigned (this is the “BASIC Score”)

CSA Measurement

Safeties built in
- Maximum of 30 severity points in each BASIC from one inspection
- Stacking provision — in case of multiple violations of same regulation, only counted once
- Data sufficiency requirements — must be enough data on the carrier to be scored in a BASIC
CSA Evaluation

• Carrier scores are then compared to “intervention thresholds” in all BASICs
• Thresholds based on carrier type and BASIC

<table>
<thead>
<tr>
<th>BASIC</th>
<th>Passenger Carriers</th>
<th>Hazardous Material Carriers</th>
<th>Property Carriers</th>
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<tr>
<td>Unsafe Driving</td>
<td>50</td>
<td>60</td>
<td>65</td>
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<tr>
<td>HCS Crash</td>
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<td></td>
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<tr>
<td>Driver Fitness</td>
<td>65</td>
<td>75</td>
<td>80</td>
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<tr>
<td>Drug and Alcohol Violation</td>
<td></td>
<td></td>
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<tr>
<td>NM</td>
<td>80</td>
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</tbody>
</table>

CSA Evaluations

• Below all thresholds, no action taken
  • Carrier can still be investigated for a complaint, based on a crash or series of crashes, based on outcome of previous investigation, or carrier request
  • Above the threshold, carrier can expect an intervention of some type
  • Well over 50 percent of all carrier investigations are initiated based on CSA BASIC Scores alone

CSA Interventions

Interventions
• Warning letter
• Targeted roadside enforcement (ISS recommendation of “Optional” or “Inspect”)
• Focused off-site investigation
• Focused on-site investigation
• Comprehensive review (compliance review)
• Cooperative (corrective) safety plan
• Notice of Violation
• Notice of Claim/Settlement Agreement
Managing Your CSA Scores

May 14th, 2014

Tom Moore, CTP
Senior Vice President
National Private Truck Council

Private Fleet CSA Performance

<table>
<thead>
<tr>
<th>Year</th>
<th>Unsafe Driving</th>
<th>HOS</th>
<th>Driver Fitness</th>
<th>Controlled Substance</th>
<th>Vehicle Maint.</th>
<th>HazMat</th>
<th>Crash</th>
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<td>17.77</td>
<td>1.7</td>
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<td>1.36</td>
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<td>5.0</td>
<td>0</td>
<td>18</td>
<td>2.6</td>
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</tr>
</tbody>
</table>

Safety Management

- Policies and Procedures
- Qualifications and Hiring
- Roles and Responsibilities
- Communication and Training
- Measure, Monitor, Manage and Improve
Behind the Numbers

- Violations are what get carriers in trouble
  - Violations are what are scored
  - Good inspections help offset the violations in most BASICS!
- Industrywide violation problems
  - Vehicle Maintenance BASIC has the most violations in it
    - Lights, tires, brakes most common
  - HOS BASIC has the most carriers in trouble
    - Form and manner, log not current, over 14 hours most common

Know Your DOT Data

- SAFER
  - safer.fmcsa.dot.gov/CompanySnapshot.aspx
  - Carrier census information
  - Inspection OOS rates compared to national averages over last 24 months
  - Carrier crashes over last 24 months
  - Carrier safety fitness rating
  - Flag if carrier is prohibited from operating

- SMS
  - ai.fmcsa.dot.gov/SMS/
  - Carrier census information
  - 36 months of inspection, intervention and crash data (including identification of serious violations)
  - BASIC percentile rankings and over threshold notice
  - Data download functionality
  - Informational materials on improving BASIC percentile rankings
- Compass Portal
  - portal.fmcsa.dot.gov
  - Daily, un-scored roadside inspection and crash data
  - Access to other FMCSA sites
Improving CSA Scores
Get good data going into the system
• Good data means “no violation” inspections and no preventable crashes
• Review all roadside inspections to check for errors
• Know what the industry problems are in each BASIC
• Know what YOUR problems are in each BASIC

What Happens If You Find Inaccurate Data?
• Access DataQs from the SAFER website, the SMS website or at: https://dataqs.fmcsa.dot.gov/login.asp
• Challenges are reviewed by the state that entered the data, with federal oversight.
• 65% of challenges are successful
• Can appeal to state motor carrier safety office if you do not like the results of a challenge.
• Be sure to upload supports for your argument

Kris Wylie
Fleet Safety and Compliance Manager
Univar
About Univar

- Univar is a global chemical distributor, distributing over 4,500 chemical products.
- Univar USA is the leading chemical distributor in the United States, providing more chemical products and related services than any other company in the marketplace.
- Univar USA operates 102 locations across the U.S., including Puerto Rico, Hawaii, and Alaska.
- Primary industries serviced include oil and gas, pharmaceutical, environmental science, water treatment, cosmetic, agriculture, and food ingredients.
- Univar is heavily regulated at state and federal levels.

Univar USA Private Fleet

- 42nd largest private fleet in the US according to Transport Topics top 100 list
- 802 Driver/791 tractors/1400 trailers
- Our fleet is 95% day cabs
- We have centralized services at the corporate level
- We operate with ELD 85% of our fleet
- 43% of our tractors are leased/57% owned equipment
- Average age of our tractor is 7 years old
- All company drivers
- Turnover is less than 3% per year

Univar CSA – First Steps

1. Educate our teams on CSA
2. Monthly updates to executive management, branch managers and all levels of management in between
3. Benchmark every month against competitors
4. Set yearly goals at corporate level, regional/district level, and branch level
   • Utilize a third party vendor
5. Drive improvement in specific areas (actionable information)
   • Send out top ten violations for company
   • Send out a list of all inspections monthly (good & bad)
   • Evaluate and investigate any large increases in scores
Vehicle Maintenance
- Do good pre and post trip inspections - visual violations
- Top violations are brakes, lights, tires
- Verify repairs and hold your providers accountable
- Full service leasing programs
  - Provide basic repairs and services into the cost of the lease
  - Make budgeting easier for equipment costs
  - Your maintenance records can be maintained by your provider
- Use CSA data for decision making when reviewing your asset replacement schedule
- Technology
  - Utilize EVIR - Electronic Vehicle Inspection Report
  - Vehicle diagnostic tools – these tools can evaluate and notify if there are issues with equipment

Driver Fitness
- Majority of red flag violations are ties to Controlled Substance and Driver Fitness
- Audit your DD program – violations at the scale should trigger internal audit process
- Don’t assume your third party vendor is keeping you compliant
- By FMCSR’s the carrier is still responsible
- Reporting process to catch expiring documents
  - 90, 60, 30 prior to expiration
  - Escalate the reporting to upper management non-compliance for expiring documents
- Full your MVR more than once a year
- Utilize quality clinics and require driver to use those clinics for their DOT physicals
- New medical examiners registry will help

Unsafe Driving
- Speed limiters on your equipment
- New regulation coming out
- All ready widely utilized in the industry
- Disciplinary policies need to be in place and applied consistently
- Require training for drivers who are cited for unsafe driving behaviors
- Technology
  - Utilize technology (speeding, lane departure, in cab cameras, hard braking notifications)
  - Act quickly – immediate corrective actions available
Crash Indicator

- Safety controls in place for the other 6 BASIC’s will keep this percentage down.
- This BASIC accounts for both preventable and non-preventable (FMCSA feasibility study).
- All accidents should be an opportunity for growth – talk about it.
- Dispute crashes that are not DOT recordable through the DataQs process.
- Track near misses and events to prevent future DOT accidents.
- Remember drivers are at the most risk for accident in the beginning and in end of their career.
- Technology
  - Event recorders, capture the 30 seconds before the event and 60 seconds post event.
  (Not Public)

Controlled Substance

- Majority of red flag violations fall under Controlled Substance if not under Driver Fitness.
- Zero tolerance policy
- Policy should be more restrictive than the minimal DOT requirements.
- Be clear on your hiring policies and stand by them.

Hazardous Materials

- Placards are a visual violation
- Use quality placards and replace prior to deterioration.
- Make sure the driver has the Emergency Response Guide and is trained on how to use it efficiently.
- Paperwork should be accessible and organized per requirements in FMCSR.
- Double check endorsements on driver’s license at time of hire and renewal.
  (Not Public)
Hours of Service Compliance

- Become knowledgeable of the new HOS regulations
- Paper logs and ELD – apply corrective actions for false logs and over hours violations given at the scales
- Operate an ELD- know your provider
  - All providers are not created equal
  - Providers are not responsible for the data
  - Make sure drivers can provide the information (cab card) to inspectors on how to use the tablet
  - Inspectors are becoming more ELD savvy

HOS Compliance - Technology

Benefits of ELD
- Lower driver falsification
- Time card system for driver
- Dispatcher/operations more effectively utilize the driver
- Real time reporting
- Messaging capabilities
- Utilization of equipment
  - MPG, total miles, is the equipment running everyday
- Customization for the customers needs

Tips for Data Q

- Handle disputing violations at the corporate level
- Only dispute when you are able to prove your case
- Have documentation to dispute the violations
  - Shop receipt from the same day or within a few days
  - Towing receipts, statement from tow company, repair invoices, pictures
- The burden of proof is on the carrier
Summary of Strategies for Success

- Create a safety culture
- Compare your CSA numbers to your competitors
- Create friendly competition between locations, drivers, management – post CSA points
- Get executive management to support in writing
- PSP report – avoid drivers with bad habits
- Pre Trip and Post Trip – DVIR/EVIR
- Utilize bypass systems (PrePass, Norcross, Greenlight)
- Rewards systems for successful, compliant drivers
- Required CSA training for drivers when hiring and annually
- Utilize technology

SMS Preview

Three objectives of the new SMS site
1. Provide easier, more intuitive navigation and user-friendly features to clarify the SMS’s role as FMCSA’s prioritization tool for CSA interventions
2. Provide a “one-stop-shop” for FMCSA safety Information
3. Retain and provide easy access to detailed information and new performance monitoring tools

SMS Preview – Sample Carrier

- Safety rating, insurance, carrier details, and intervention status is on main page
SMS Preview – Sample Carrier
• Page one continued of preview
• This shows summary, carrier registration, penalty history

SMS Preview – Univar Vehicle Maintenance
• We will be able to view other carriers in our safety event group
• The CSA percentage for the BASIC is not shown on front screen
• Additional graphs and charts available

Question & Answer Session
Please continue to submit your questions.
Closing Remarks

- Checkout the archive of past topics at: http://www.jjkeller.com/nptcinfo
  - PowerPoint slides and recording up in 1 week
- Remaining topics for 2014:
  - July 23, 2014 – How to Survive a DOT Intervention
  - October 22, 2014 – Regulatory Update

Thank you for participating in today’s webcast!

Visit: www.jjkeller.com/nptcinfo
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