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# Transport Topics

### Reopening of GHG Phase 2 **Raises Industry Concerns**

By Jonathan S. Reiskin Associate News Editor

Less than five months from the starting date of Pluse 2 of the feder-al rule on greenhouse gas emissions from trucks, a brief statement from EPA Administrator Scott Pruitt on EPA Administrator Scott Pruitt on his plan to revisit the regulation's sections on trailers and glider kits has created confusion and uncer-tainty among the manufacturers and purchasers of those products. Described as a process of meet-ing the concerns of businesses in those industries the votice for

those industries, the notice from the Environmental Protection Agency on Aug. 17 raised numer-ous questions on the timing of events and fears of state regula-

groups also opposed the action.

"In light of the significant issues raised, the agency has decided to revisit the Phase 2 trailer and glider provisions. We intend to initiate a rulemaking process that incorpo-rates the latest technical data and is wholly consistent with our author

whose consistent with our amou-ity under the Clean Air Act," Praitt said on his agency's website. The complex Plase 2 rule from EPA and the National Highway Traffic Safety Administration was made final in October 2016 and was a priority of the Obama adn. It follows in the path of Phase 1 of the regulation that took effect in 2014 and Jan, 1 of this year,

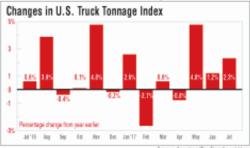
(See ana, p. 27)



A glider kit on display at a trucking show. EPA's plan to revisit rules

## Tonnage Up 2.3% in July

Outlook Positive Despite Mixed Economic Data



#### Negotiators Hold First Meeting To Discuss NAFTA Overhaul

By Daniel P. Bearth Staff Writer

Trade representatives from the United States, Canada and Mexico have begun talks aimed at resetting terms of the North American Free Trade Agreement, a process that is expected to take many months to conde and which could have profound implications for freight carriers and the supply chain operations of compa-nies in all three countries.

President Donald Trump struck a pessimistic tone for the talks last

week, suggesting that the United States would probably withdraw from NAFTA "at some point." "I don't think we can make a deal

because we have been so hadly because we have been so hadly taken advantage of, "Trump said at a campaign-style rully in Phoenix on Aug. 22. Comments filed in advance of the opening round of talks, in response

opening round of class, in response to a request from U.S. Trade Repre-sentative Robert Lighthizer, reflected an overwhelming desire of transpor-tation service providers, automakers

(See NAFTA, p. 27)

By Ari Ashe Staff Reporter

For the third consecutive month American Trucking Associations truck tonnage index rose on a year-over-year basis, signaling trucking may be heading toward brighter days,

experts said. In July, tonnage went up 2.3% year-

In July, tomage went up 2.3% yearover-year after seesawing in the winter and early spring.

On a sequential basis, the seasonally adjusted index grew 0.1% in July
while reversing a 4.4% drop in June.

The preliminary seasonally adjusted
index was 13.5% in July compared with
133.4 in June. Through July, the index
was 1.2% higher than the same sevenmonth period last year.

The index uses a base level of 100
for freight activity in the year 2000.

The index uses a base level of 100 for freight activity in the year 2000.

The unseasonally adjusted index, which represents the change in tonnage actually hauled by the fleets, was 141 in July, which was 2.2% lower than in June 2017.

ACT Research Co.'s Fos-Hire Trucking Index also indicated that besiness conditions were used; but

business conditions were much bet-ter in July than a year ago. The index is derived from a survey of trucking companies, and 50 is the dividing line between expanding or contracting economic conditions.

The volume index was 57.1 com-pared with 39.3 in July 2016. The pricing index rose from 44.3 to 60,

(See TONNAGE, p. 24)

#### **Analysts Predict Spot Rates Could Soar** Once ELD Mandate Goes Into Effect

By Steve Brawner Special to Transport Topics

men the electronic log-ging device mandate finally takes effect in De-cember, freight healing capacity will tighten and spot murket rates are likely to rise, according to trucking industry analysts.

The mandate hen the electronic log-

The mandate could result in a 7% loss of capacity in the for-hire carrier sector, with a 3.7% loss for the industry overall as some driv-ers no longer will be able to fudge

their paper logbooks and therefore spend less time on the road, according to ACT Research Presi-dent Kenny Vieth.

As a result, he expects a 5-15% increase in spot rates, and "really a re-benchmarking of the industry."

#### FEATURE

Other industry veterans and ob-

Given monstry veterans and ob-servers agree that capacity will tighten and spot rates will rise. Customer surveys conducted by Truckstop.com, a load board oper-ator that primarily serves owner-

operators and small carriers, have shown a 2-4% capacity reduction, but "doomsday" predictions are much higher, said Thayne Boren, general manager of Truckstop.com's mobile division. He and the compa-ny's chief economist, Noel Ferry, say rates could increase 20% year-over-

year at peak seasonal times. The mandate already is hav-ing an effect on the spot market ahead of the ELD implemen-tation deadline. That's because shippers and brokers are trying

(See spot маякат, р. 18)



A C.R. England truck. The carrier saw a productivity impact of 3% to 5% when it switched to e-logs in 2009.

SPAPE

#### NSIDE

## Digital Buzz. Business & Finance 6 Editorial 8 Company News......16

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- · E-COMMERCE Trailer makers Hyundai Translead and Strick Group explore options to support final-mile deliveries due to growth in online shopping. - P. S.
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- · PACCAR The manufacturer unveils an automated transmission to complete its integrated powertrain lineup for its Kenworth and Peterbilt brands. — P. 4

