The Official HTA Monthly Newsletter

FES

ISSUE NO. 44



e wont be silenced.

2023 Photo taken at SoCal Membership Meeting at the Shoreline Yacht Club in Long Beach, CA on July

NorCal and SoCal Membership Meetings Set New Attendance Records, Demonstrating Industry Unity

Written by Karla Sanchez, Director of Programs & Communications

The Harbor Trucking Association (HTA) is happy to announce that our most recent membership meetings in both Northern and Southern California have achieved a groundbreaking milestone. The meetings, held on July 17th and July 19th at Scott's Seafood Restaurant in Oakland, CA, and at the Shoreline Yacht Club in Long Beach, CA, respectively, brought together a record-breaking number of attendees.

During both meetings, HTA's CEO, Matt Schrap, took the stage to provide attendees with crucial updates on pressing matters within the drayage industry. These updates included the California Air Resources Board's (CARB) Advanced Clean Fleets Rule, set to take effect on January 1st, 2024. Under this rule, all first-time VIN entrants into the Drayage Truck Registry (DTR) will be required to be Zero-Emission vehicles.

Additionally, the Clean Truck Check, formerly known as Heavy-Duty Inspection and Maintenance (I&M), was discussed. This initiative mandates vehicle registration by 2023 and will require biannual testing in 2024. By addressing these regulatory changes, CEO Matt Schrap emphasized the importance of staying informed and proactive in navigating the evolving landscape of environmental standards in the drayage industry.

The meetings also shed light on the Federal Maritime Commission's (FMC) Maritime Transportation Data Initiative (MTDI), designed to enhance data transparency and improve decision-making within the maritime industry. Attendees were provided with valuable insights into how the MTDI could potentially impact drayage operations.

In addition to the regulatory updates, CEO Matt Schrap shared an overview of the agreement between the Engine Manufacturers Association (EMA) and CARB regarding diesel engine standards and Zero Emission Sales requirements, slated to come into effect next year.







INUM SPONSORS











CONTINUED

1

Throughout the years, the organization has worked diligently to foster a sense of community, collaboration, and knowledge sharing. The meetings provided an excellent opportunity for attendees to network, exchange insights, and collectively address challenges faced by the drayage industry.

We extend our heartfelt gratitude to our members for their continued support, allowing us to make a difference and drive progress in our industry.





RNG-Fueled Trucks Provide Feasible Pathway towards Indirect Source Rule Compliance



Did you know RNG-fueled trucks visiting local warehouses can allow warehouse operators to eliminate their annual compliance fees associated with the Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program?

The WAIRE Program was enacted to increase the use of clean air technologies in logistics and warehousing in the South Coast Air Quality Management District, which includes Los Angeles, Orange, San Bernardino, and Riverside Counties. Under the Rule, warehouse operators generate Points" "WAIRE for using clean technologies. WAIRE Points are then used to offset annual compliance obligations, which are calculated based on the annual number of truck trips to and from local warehouses whether warehouse operators trucks contract own or out trucking/transportation.

"RNG Trucks can help decarbonize your fleet and achieve compliance under the new Indirect Source Rule" Explains Marcos Luna, Business Development Manager for California. "Take one of our customers, a warehouse owner-operator in the Inland Empire; they were able to meet their first year WAIRE compliance obligation with their existing four Class 8 RNG-fueled trucks that they had purchased long before the WAIRE Program came into play." This is a great example of how RNG trucks can fit into your company's sustainability plan this year and beyond.

Another Clean Energy customer reports, "Our global and national customers have aggressive decarbonization goals, so they demand clean, affordable, and sustainable trucking solutions. RNG-fueled trucks help our customers make cost-effective progress toward their goals while at the same time assisting them to achieve their compliance obligations under the WAIRE program."

RNG truck grant and incentive programs are still available as are RNG/CNG port trucks that can be delivered before the end of the year, but you'll need to act fast before time runs out.

For more information on how your fleet can benefit from Renewable Natural Gas, please contact <u>Marcos.Luna@CleanEnergyFuels.Com</u> or (562) 338-8025.





GOLD SPONSORS

GeoStamp

ISSUE 44

SOUTHERN CALIFORNIA

FDISON[®]

Sponsored by O ENVASE

MEMBER OF THE MONTH

MEMBER OF THE MONTH JULY 2023

Bob Dillipliane

Congratulations on your achievement as the July Member of the Month, we consider this award as our gratitude for your continued support of the HTA. This month's spotlight is on Bob Dilliplaine, Business Development Officer at Orange Commercial Credit, for being named HTA's July Member of the Month.

To celebrate this achievement and to get to know Bob better, please see below a few questions he answered:

- What is the best advice you ever received? "Hard work beats talent when talent doesn't work hard." One of my coaches told this to me when I was 12 or 13 and it has always resonated with me. I feel it applies to all facets of life, especially for me. I was never the most talented or skilled person in the classroom, in the office, or on the field, but nobody was going to outwork me or push themselves harder than me.
- Tell us something about yourself that would surprise most people who know you. I'm an Ironman! I started doing Triathlons about 6 years ago and did a full Ironman in AZ in 2019.
- If you did not work in this industry, what field would you pursue? I would pursue a position as an officer in the U.S. Military. I have always had a deep respect and admiration for our military and have many family members who have served. I regret not serving, and if given the opportunity for a "do over," I would step up and make a career out of the military.





California Fleets Navigating Regulatory Changes Can Still Find the Road to Success

Truck replacement more manageable through incentives and financing

Brought to you by Crossroads Equipment Lease & Finance

The <u>California Capital Access Program</u> (CalCAP) started in 1994 was designed to address the specific financing needs of small business borrowers. Over the past 13 years, through a partnership with the <u>California Air Resources Board</u> (CARB), CalCAP has provided much needed support to small business owners in the state to purchase newer, cleaner trucks, and help improve air quality.

The Heavy-Duty Vehicle Air Quality Loan Program (more commonly known as "Truck Loan Assistance") <u>came to an end July 31</u> of this year, leaving small fleets without state assistance for the financing of internal combustion engine (ICE) trucks. But CARB's efforts to reduce emissions in California continue.

<u>The Truck and Bus Regulation</u> required fleets to operate vehicles with a 2010 or newer engine, or risk having their <u>registration denied</u> <u>by the</u> DMV. The Truck and Bus Rule's Model Year Schedule ended in January of this year, and CARB is now shifting its resources to zero emission technology initiatives. One such initiative is the <u>Advanced Clean Fleets</u> (ACF) regulation, which allows for a "phasing out" of older vehicles with specific mileage reporting deadlines as noted in the <u>Useful Life Matrix for Drayage Trucks</u>.

Simply put, this means that port operators in California have until December 31, 2023, to upgrade to any new "ICE" vehicle and continue to operate in the ports through 2034. After January 1, 2035, all drayage trucks are required to be zero-emission vehicles (ZEV).

CARB has already launched ZEV grant programs and will soon launch a program to support financing of heavy duty zero emission trucks. Commercial equipment lenders like <u>Crossroads Equipment Lease and Finance</u> are well suited to assist fleets with these critical transitions. Crossroads, the leading on-road CalCAP lender, has helped thousands of fleets and operators upgrade their equipment and remain CARB compliant.

If you are thinking about upgrading your trucks, give us a call – we can help guide you through the maze of available government support and figure out how to cost-effectively replace your equipment or grow your fleet. We can also assist you with trailer leasing, business acquisition, refinancing, commercial real estate, working capital and more. Visit <u>www.crlease.com</u> to learn more about our family of companies.





HYZON

Hyzon Motors leads the charge in Hydrogen Fuel Cell Technology

Brought to you by Hyzon Motors

As the 2024 CARB requirements draw near, fleet operators are under pressure to adopt sustainable practices and contribute to a cleaner, greener future. Hyzon Motors leads the charge in hydrogen fuel cell technology, providing advanced and eco-friendly solutions for the trucking industry. Embracing the innovative offerings of Hyzon Motors not only ensures compliance with CARB regulations but also showcases a firm commitment to building a sustainable future for all. Together, let us collaborate toward a cleaner and more sustainable trucking industry for generations to come.

At Hyzon Motors we are celebrating a remarkable achievement: **the successful production of our cutting-edge 200kW single-stack fuel cell system**. This milestone marks a significant step forward in the advancement of clean energy solutions for the trucking industry. Hyzon's proprietary material, design, and equipment engineering have enabled us to achieve 200kW output from a single stack, setting them apart from other Fuel Cell Electric Vehicle (FCEV) suppliers who rely on coupling two ~110kW FCSs. This breakthrough is expected to bring substantial benefits, including approximately **30% smaller volume and weight, 25% lower cost, and significantly reduced maintenance compared to traditional systems.**



As the hydrogen economy continues to gain momentum, the U.S. government's commitments to the industry are worth noting. The Department of Energy's Hydrogen Hub Program, with its \$7 billion investment, and various programs within the Inflation Reduction Act underscore the nation's dedication to fostering a sustainable future. Hyzon Motors proudly supports these initiatives as a member of the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) DOE hydrogen hub proposal for California.

Fleet operators have a crucial role to play in shaping a cleaner and more sustainable future for the trucking industry. With CARB's 2024 Drayage Truck Requirements going into effect on January 1, 2024, all drayage operators must adapt to the new regulations. Vehicles purchased after this date are required to be Zero Emissions Vehicles (ZEVs) to operate at the Ports of LA and Long Beach. Hyzon Motors offers an excellent option to meet these requirements with our cutting-edge Fuel Cell Electric Vehicles (FCEV).

Learn more about Hyzon Motors and the Hydrogen Economy: For those interested in exploring Hyzon's fuel cell electric vehicles, California's hydrogen infrastructure, and the regulatory developments impacting the hydrogen economy, connect with us at <u>sales@hyzonmotors.com</u>. Additionally, valuable industry resources, updates, and news from across the hydrogen value chain can be found at <u>www.hyzonmotors.com/resources</u>.

HIF



CARB Discussion on Port Trucking and the Transition to Zero Emissions





- Thursday, August 3rd
- 🕓 11:45 AM-1:00 PM PST
- Virtual Event Via Zoom

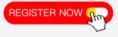


WEBINAR

CARB Rules: New Rules, Old Rules & What You Need to Know

Join details will be provided

once you register. Each person will obtain a unique link. This session will be recorded.





August 8th, 2023 10:00 AM to 11:30 AM PT





Three Advantages Mega Fleets Have (and How Your Fleet Can Get Them Too)

Written by Mike Bush of Envase Technologies

Freightwaves recently hosted its Enterprise Fleet Summit, gathering a combination of fleet leaders, vendors, thought leaders, and nerds (seriously, have you met the marketing people from Envase?) to discuss what's happening in the industry overall.

As you'd imagine, some key topics had to do with labor uncertainty; Yellow and UPS were both popular topics, but the off-again, on-again strike in Canadian ports was also hot. Another theme that emerged, whether by design or by virtue of the presenters, had to do with the advantages enjoyed by the mega fleets, ranging from longer relationships with drivers to technology implementations and lower fuel prices to preferred treatment from mechanics.

If you listened to every presentation, you could have come away thinking that smaller fleets and trucking entrepreneurs had no chance against the giant corporations.

And that would have missed the point entirely. Smaller fleets have access to the same advantages as mega fleets as long as they know where to look.

Here are three initiatives large fleets are doing that your carrier can implement immediately:

Turn your driver pool into a community- Sadie Church, VP of Driver Relations for Artur Express (>80 trucks in their fleet), discussed how the company has successfully retained drivers with a wide range of communications initiatives. She shared that the company regularly updates client wins and losses, with leadership answering questions about demand surges and slumps. They've even set up a competitive eSports group to help drivers interact with each other more often (one of the key points to this discussion was creating an employee community when most workers are solitary, and she had some great points about this). Perhaps most importantly, nearly all of this was executed in a private Facebook group for Artur Express' drivers. Yes, there is the cost of time associated with this level of communication, but it wasn't a fancy CRM or employee engagement solution being deployed to keep drivers connected. Key takeaway: you can successfully engage your team with a little time commitment.

- Cut your operating costs, especially fuel- Buying in bulk has its advantages, and some mega fleets have thrown their weight around to secure significant discounts at various truck stop chains. This doesn't, however, have to be limited to large companies. But these programs don't have to be limited to large companies. Fuel, tire, and truck wash discounts are all available through a wide range of partnerships and vendors. Many drayage marketplaces have built programs to offer discounts, and many of the local repair shops or fuel stations are willing to provide a set of benefits for being exclusive to them. Fleet owners/managers can usually generate a discount with a couple of phone calls. Also, if you're a customer of Envase or Trinium, reach out today to learn more about our fuel programs and other discount solutions. Key takeaway: You don't have to have 200 trucks to save money at a fuel station.
- Get ahead of Electrification/ZEVs- Perhaps unsurprisingly, the largest fleets find themselves in a circumstance where the transition to zero-emission vehicles seems fraught with challenges. While some of the mega fleet issues are different than smaller drayage fleets (finding an OEM with 100+ EV trucks available today is nearly impossible), issues like charging infrastructure loom just as large for the entire industry. Companies like Voltera shared advice similar to what HTA members like Forum Mobility have been saying; now is the time to start exploring the switch to ZEVs. This means talking about how new trucks would fit into the current business, where there may be grants or other incentives to reduce costs, and how to connect with utility providers to get the process going. Key takeaway: when it comes to zero-emission vehicles, it may seem daunting, but everyone is in this together.

Yes, there are still some hurdles to overcome. Specifically, the agreement hasn't been ratified, which means everything may not be over quite yet. But the signs are looking good. And for carriers that are prepared, there will soon be tremendous opportunities.

If you missed the Freightwaves event, the full replay is available online. There were a ton of great sessions, all of which can help companies like yours succeed, even if you're not operating a company with 500+ trucks. Welcome!

Join us in welcoming our new sponsors & members below.

Juan Garcia 110 Transportation Services, Inc. New Carrier Member

Bryce Leon GPM Logistics New Carrier Member

Erick Gordon Redefined Transportation **New Carrier Member**

Gangandeep Guraya A&G Transport, Inc. New Carrier Member

Stephanie Williams MN8 Energy New Gold Sponsor

Carly Filler Gage Zero **New Silver Sponsor**

Katie Rabideau Daimler/Freightliner **New Silver Sponsor**

Rosie Dagley Pegasus Warehousing & Distribution, Inc. **New Affiliate Member**



Follow us on Social Media @harbortruckers



The Voice is designed and edited by:

Karla Sanchez-Jimenez Director of Programs & Communications karla@harbortruckers.org



Not a member or sponsor? Find out how you can become one by going here: <u>https://harbortruckers.com/join-the-hta</u> Have any questions regarding your membership, or want to upgrade? Contact Melissa Summers at <u>melissa@harbortruckers.org</u>