



**Special points of interest:**

- Diesel engines
- US Ports
- New highway name
- Tire savings
- NAFTA Update

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## The Truth about Diesel

The diesel engine is one of the most efficient energy converters we have available to us today, delivering an overall efficiency of about 35%. Compare that to energy sources such as hydrogen or biogas which deliver only about 17-19% of their energy to the vehicle's driven wheels and you quickly see the advantages of trucking's main energy source.

Where diesel fuel runs into considerable problems, however, is with its sizeable contribution to greenhouse gas. Yet, as was eloquently pointed out at a recent Volvo seminar on climate change policy, that does not have to spell the end of the diesel engine. In fact, one of the major advantages of the diesel engine is that it does not have to use conventional diesel fuel or other fossil-based fuels. Through the introduction of some sophisticated technology and minor modifications the diesel engine we've come to rely on can be adapted to run on a wide range of renewable fuels that would give the trucking industry a shiny new image because they emit no excess carbon dioxide in powering a vehicle.

Volvo believes that CO2 neutral transport is not a utopian dream but rather a realistic and achievable goal. In recent years Volvo has sought to examine the viability of 7 different alternative fuel sources – biodiesel, synthetic diesel, dimethylether(DME), methanol/ethanol, biogas, biogas-biodiesel and hydrogen-biogas. It has compared and contrasted the benefits and drawbacks of these seven alternative fuels in a variety of critical areas such as climate impact, energy efficiency, land use efficiency, fuel potential, vehicle adaptation, fuel cost and fuel infrastructure.

It has made for a great deal of ground breaking work from an industry supplier

that has clearly chosen to neither deny the threat of global warming and industry's contribution to it (as some carriers and media personalities shamefully are doing) nor to ignore it or to simply pay lip service to the need for more sustainable energy alternatives. It has instead opted to roll up its sleeves and work to meet the challenge head on.

Sometimes very large companies with a specific and worthy goal in mind can change an industry, creating a market for new technologies. But the challenge of moving towards more sustainable fuel sources is not a challenge that any one company – even one the size of Volvo with its global connections – can successfully tackle on its own.

To make the switch to alternative fuels also requires a leap of faith from government, the transport industry, and the companies that serve transportation's energy needs. Yet as Leif Johansson, the CEO of Volvo Group, acknowledged, the headway being made towards the production and distribution of renewable fuels on a major scale has so far proved disappointing. In his own words, there seems to be "lots of very good talk, very little investment."

To borrow from Johansson's insight once again, when we consider the environment, and what we have to do to maintain it, we often get it wrong. We think it's going to cost too much when, in fact, environmental initiatives such as seeking alternative fuel sources are about reducing long term costs, improving the sustainability of our practices and reaping the rewards.

*Courtesy Canadian Transportation & Logistics*

## US Port Container Volume at 5-Year Low



Import cargo volume at major retail container ports in the US improved in March over February's seven-year low but was still at its lowest level in five years and remained below the 1m mark, according to the latest monthly Port Tracker report released May 7 by the country's National Retail Federation (NRF) and IHS Global Insight.

"Cargo that came across the docks in March is in the stores now, so these numbers show us that retailers expect slow sales this spring and summer, and have been cautious in the amount of merchandise that they've ordered," commented NRF Vice President for Supply Chain and Customs Policy Jonathan Gold. "Month-to-month numbers are rising but we're still expecting significantly lower quantities of merchandise being imported than we saw last year."

The US ports surveyed\* handled 984,633 TEUs (twenty-foot equivalent units) in March, the most recent month for which actual numbers were available, reported the NRF. That figure, it continued, was up 16.8% from February's 842,882 TEUs, which was the lowest level since March 2002, but was still down 15% from March 2008. "The March 2009 number is the

next-lowest since the 901,497 seen in February 2004, and marks the 21st month in a row to see a year-over-year decline."

The NRF went on to state that volume for April was estimated at 1.04m TEUs, down 18% from a year earlier, and May was forecast at 1.06m, down 19% from last year. June was forecast at 1.09m, down 16%; July at 1.12m, down 15%; August at 1.15m, down 15.8%; and September at 1.13m, down 17%.

"The monthly numbers are on their way back up but that's really just the shipping cycle we see every year whether we're in a recession or not," said IHS Global Insight Economist Paul Bingham. "The real rebound is still in the future. Import container traffic is projected to continue to be weak for the next several months due to the underlying reduction in demand for goods."

\*The US ports covered by Port Tracker are Los Angeles/Long Beach, Oakland, Seattle and Tacoma on the west coast; New York/New Jersey, Hampton Roads, Charleston and Savannah on the east coast, and Houston on the Gulf coast.

US National Retail Federation

*"The real rebound is still in the future. Import container traffic is projected to continue to be weak."*

## 10th Mountain Division Memorial Highway



An act to amend the highway law, in relation to designating a portion of Interstate 81 as the "10th Mountain Division Memorial Highway" has recently been referred to the Committee on Transportation. The portion of the highway to be so designated is I-81 located in Jefferson County, NY. The new name will have no effect on the highway's current designation as "The American Legion Memorial Highway" as both

designations shall be signed throughout Jefferson County.

This proposed name change has been made as a tribute to the soldiers from the 10th Mountain Division stationed at Fort Drum, NY. This is the largest light infantry base in the country and serves as an economic driver for Jefferson County. Residents of the county will welcome this tribute to our troops who serve on our behalf world-wide.

## Single Wide Tires Boost Fuel Economy

Federal researchers said they have confirmed manufacturers' claims that single wide tires can boost a truck's fuel economy, but one tire expert said they may not be suitable for every fleet.

The researchers' findings, part of the Department of Energy's Class 8 Heavy Truck Duty Cycle Project, found that using single wide tires on a truck's drive and trailer axles can improve fuel efficiency 6% to 10%, compared with standard dual configurations.

For example, the heavier a truck's payload, the greater the benefit from the switch to single wides, said Bill Knee, group leader for the transportation technology group at DOE's Oak Ridge National Laboratory, Oak Ridge, Tenn.

"As we went from low to high weight, the marginal difference between the duals and the singles increased," Knee said. "What that suggested to us was that you'll get more of a marginal benefit the more weight you carry."

Oak Ridge published the report containing the data on single wide tires late last month. Single wide tires were not originally slated to be part of DOE's research but Michelin asked if they could participate in the test.

Oak Ridge testers agreed, and Michelin provided single wide tires to be fitted on six trucks and 10 trailers provided by Schrader Trucking Co., a regional truckload carrier in Jefferson City, Tenn. Michelin, in a statement, said the agency's report "confirms what our engineers and designers have said since we launched the Michelin X One nine years ago."

Meanwhile, a representative of the Tire Industry Association, Bowie, Md., said the fleets that could benefit most from single wide configurations would see the biggest payback, not from better fuel economy but from a lighter truck. "I don't think that the fleets that are choosing those tires are doing it for the fuel," Kevin Rohlwing, the tire group's senior vice president of training, told TT in an April 3 interview. Single wide configurations "seem to be best suited for applications that are weight-conscious," such as fuel or bulk hauling. Replacing duals with single wide tires removes about 1,200 pounds from a truck-trailer combination's total weight, Rohlwing said.

However, a fleet hauling consumer goods — which typically "cube out" before they "weigh out" — is less likely to benefit from single wide tires, better fuel economy notwithstanding' Rohlwing told TT.

*Courtesy Transport Topics*



*"As we went from low to high weight, the marginal difference between the duals and the singles increased"*

## NAFTA Trade Falls

Trade using surface transportation between the US, Canada and Mexico, was 30.9% lower in February 2009 than in February 2008, according to figures by the Bureau of Transportation Statistics (BTS) of the US Department of Transportation. That decline, to \$47.9B, was described by the BTS as "the biggest year-to-year percentage decline on record". "February was the fourth consecutive month with a yearly decline of greater than 13%," it added. The BTS explained that surface transportation

consisted largely of freight movements by truck, rail and pipeline. "About 88% of US trade by value with Canada and Mexico moves on land."

The BTS reported that US-Canada surface transportation trade had totaled \$29.8B in February, down 33.8% on February 2008. The value of imports carried by truck was 32% lower, while the value of exports carried by truck was 28.1% lower.





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## **Recession Advantages**

There may be some advantages to our current recession. When the Middlesex County engineering department sought bids for a project to improve the intersection of Ford Avenue and Main Street in Woodbridge it estimated the cost would be \$972,000. The job was recently awarded to Tilcon New York of Wharton, N.J., with a low qualifying bid of \$760,944.

Other jobs in New Jersey are coming in under budget by up to 30%. And there is no shortage of bidders either. A recent road improvement project in New Jersey received 17 bids, rather than the more normal three or four. Transportation officials all over the Northeast are finding that now is the perfect time to seek bids on road construction projects. As demand for shopping centers and housing developments decreases, public works projects are the only work to be found for many contractors.

Now is the time for governments to save the taxpayer some money. There is no question that the economy will have rebounded by 2010. Lets get to our road projects while the getting is good.

## **Notes From The Director**

Are we seeing the first signs of economic recovery? We certainly hope so. The banks seem to be doing better but bankruptcies at two of the Detroit Three automakers are disconcerting. The European Central Bank President recently stated that policy makers are seeing the first signs of an economic recovery. He claimed that a number of reports were encouraging but now is not the time for complacency. The International Monetary Fund stated last month that the rate of economic contraction is moderating around the world. The global economy will shrink by 1.3% percent this year before beginning a recovery in 2010. Interest rates are at historical lows but as global growth starts to escalate, central banks will have to scale back their support for the economy.

The Obama administration has projected that the U.S. economy will expand at a 3.5% annual rate by year end with continued improvement in 2010. Housing starts should

bottom out this year, inflation should remain under control, unemployment should continue to improve and the stock market should continue its recent gains. It appears that the worst may be over.

### **1000 Islands-Syracuse Shuttle**

The Capital Corridor is pleased to report that a shuttle bus service between the Thousand Islands Bridge and Syracuse will be starting on June 1. This service, the 1000 Islands Express, will be run by Caz Limo and Tours and will feature two trips a day with stops in Watertown. The service will assist Canadian travelers with an inexpensive and convenient method of shopping in Watertown and Syracuse as well as offering access to the many domestic flights offered at Syracuse airport. Additionally, golf, fishing and tour packages will be added for folks wishing to come north to the islands for a short stay.

