

## **PGT BULLETIN**

Key Issues Facing the Trucking Industry

## **FEBRUARY 2023**

The PGT Bulletin addresses current issues within the trucking industry that impacts PGT Trucking, our customers and the supply chain. PGT closely monitors these concerns and works to implement innovative solutions for our customers, advancing transportation through the Future of Flatbed<sup>®</sup>.

**Sustainability**. The transportation industry accounts for 27% of the total greenhouse gas emissions in the United States, the largest contributor among key sectors. The trucking industry needs to adopt innovative technology and equipment to make a significant reduction in carbon emissions, truly revolutionizing transportation as we know it. Customer demand is high for environmentally friendly services to create a sustainable supply chain and reduce their Scope 3 emissions.

**Infrastructure**. America's infrastructure is in a state of decline, rated an overall "C-" by the American Society of Civil Engineers 2021 Infrastructure Report Card, with 43% of America's roadways listed in poor or mediocre condition. As transportation evolves, the country's infrastructure must also be prepared to handle the widespread use of electric vehicles, making electric charging and hydrogen fueling stations readily accessible for commercial vehicles. Electric vehicles are also significantly heavier than their diesel counterparts, creating the need for additional regulatory changes on weight limits/restrictions to support interstate commerce. Without changes to weight limitations, carriers will need to reduce load size to compensate for the heavier equipment or face increased permit costs.

**Truck Parking**. The lack of available truck parking continues to be a primary concern in the industry, ranking in the top five of the American Transportation Research Institute's Top Industry Issues since 2015. Truck drivers are forced to stop working early in order to secure a safe parking spot, leaving valuable driving hours on the table every day and delaying shipment times. Lack of truck parking also impacts driver retention and safety, with more drivers choosing to leave the industry rather than deal with the added stress of parking.

<u>A New Era for Heavy Duty</u> <u>Trucks</u>

<u>Carrier Preparing for the</u> <u>Future with Green Efforts</u> <u>Today</u>

<u>Ohio Awarded \$24 Million</u> <u>Grant for Roadway</u> <u>Infrastructure</u>

<u>New ATRI Research</u> <u>Evaluates Charging</u> <u>Infrastructure Challenges</u>

<u>Bipartisan Bill Would Give</u> <u>Truckers Access to Restroom</u> <u>Facilities</u>

House Lawmakers Introduce Truck Parking Bill





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**Fuel, Taxes and Tolls**. Operating costs continue to increase for trucking companies. Fuel costs, listed as the top industry concern in 2022 by the American Transportation Research Institute, remain high, with mixed reports on the pricing outlook for 2023. Companies have also experienced increases in general tolls for turnpikes, bridges and expressways, including new highway use fees.

**Equipment Shortages**. Trailer orders hit record levels at the end of 2022, continuing the trend of equipment shortages faced by carriers during the past two years. Production of heavy-duty trucks stalled due to a global shortage of computer chips and lingering supply chain issues, forcing carriers to use aging equipment and drastically reduce their capacity. Manufacturers hope to catch up to demands for new orders in 2023, but trucking companies and maintenance shops still experience difficulty obtaining parts to repair current equipment.

**Driver Recruitment**. The American Trucking Associations notably estimated a record-setting shortage of 80,000 truck drivers in 2021. Current labor shortages across the country provide alternative career options to truck drivers looking for more local opportunities, and a continually aging workforce sees more drivers retiring each year. The trucking industry must continue to evolve, supporting our drivers with additional benefits, roadside services and safety improvements. Rising costs, lack of parking and equipment delays all impact driver retention.

## PGT TRUCKING UPDATES

PGT Trucking purchased our first Nikola Tre Battery Electric Vehicle (BEV) this year, actively deploying the unit on a dedicated customer account to create the first sustainable shipping lane in flatbed transportation. PGT will continue to work with our partners and vendors to explore full-service solutions to enable greater use of electric vehicles while advocating for additional improvements to America's infrastructure. By focusing on driver retention, truck parking access and customer service, PGT is prepared to lead the way to the Future of Flatbed<sup>®</sup>.

<u>Trucking Association Says</u> 2023 Highway Usage Fees <u>Could Impact Consumers</u>

U.S. Trailer Orders End 2022 at Record Levels

<u>Driver Shortage Eases</u> <u>Slightly in 2022 but Relief</u> <u>Likely Temporary</u>

PGT Trucking Purchases Nikola Tre BEV

PGT Trucking Named to the 2023 Best Fleets To Drive For® Top 20

