

## **GREENHOUSE GAS MEMORANDUM OF UNDERSTANDING (MOU)**

between the

**ALBERTA MOTOR TRANSPORT ASSOCIATION (AMTA)**

and

**GOVERNMENT OF ALBERTA (GOA)**

**ANNUAL REPORT 2009**

### **Overview:**

The Greenhouse Gas (GHG) MOU between the AMTA and the GOA was originally signed by the Executive Director of the AMTA, and Ministers of Alberta Environment (AENV) and Alberta Transportation (AT) on June 16th, 2005. This MOU was renewed by all parties listed above, on March 29<sup>th</sup>, 2009, remaining active until December 31, 2012.

As a result of this MOU, the parties agreed to form a joint coordinating committee to guide efforts to study and implement methods to reduce greenhouse gas emissions (GHG) by the commercial trucking industry in Alberta. This committee was formed as the AMTA GHG Coordinating Committee (AGCC). The AGCC is made up of representatives from the Alberta Government, the AMTA, Climate Change Central, and the Alberta trucking industry. The committee was established to provide overall direction and consultation regarding possible measures and initiatives that will facilitate fuel use reduction and the mitigation of GHG emissions from the Alberta trucking sector in accordance with the MOU.

The MOU outlines the requirement of an Annual Report highlighting the activities of the AGCC, to be submitted to Deputy Ministers of Environment, and Transportation, and the AMTA Board of Directors.

### **AMTA GHG Coordinating Committee (AGCC):**

The 2009 AGCC membership consisted of:

- Lawrence Schmidt, AENV - consultant contract (co-chair)
- Mayne Root, AMTA (co-chair)
- Bud Rice, AMTA
- Brian Waddell, AENV
- Lloyd Blower, AT
- Peter Dzikowski, AT
- Adam Gagnon, Climate Change Central (C3)
- Don Chapman, Canadian Freightways
- Peter Mills, Canadian Freightways
- Gail Sharko, ECL Transport
- Vic Duckering, Duckering's Transport
- John Finn, Exalta
- Terry Rhode, Rosenau Transport
- Jim Belcher, AMTA - consultant contract

During 2009, the AGCC met on May 4<sup>th</sup> and September 14<sup>th</sup>. In addition to these full AGCC meetings, two additional AGCC Core Committee meetings were held through the course of the year, in order to advance the actions designated by the AGCC. The Core Committee during 2009 consisted of representation from Alberta Environment, the AMTA, Climate Change Central and industry.

### **Major AGCC Initiatives of 2009:**

#### **January – March / 09**

- Renewal of GHG MOU between the Government of Alberta and the AMTA. This process required briefing for AMTA, AENV and AT; drafting of final report for previous MOU period (2005-2008); drafting of new MOU (2009-2012); signing of new MOU by AMTA, AENV and AT.

#### **March – April / 09**

- Development of a website ([www.truckfuelsavings.ca](http://www.truckfuelsavings.ca)), dedicated to provide information regarding fuel efficiency measures for the Alberta commercial trucking industry. This website was created through funding provided by AENV, the input of the AGCC, coordination by the Core Committee, and through the technical support of a website design firm.

#### **May – June / 09**

- Hiring of a resource consultant, Jim Belcher, by the AMTA with funds provided by AENV, for a two-year position with the intent of providing direct contact with specific Alberta carriers to present measures for reducing commercial fleet fuel consumption. This process included: drafting of job description, promotion of position, review of applicants, interviewing candidates, selection process, and position training.

#### **July – September / 09**

- Further work conducted to refine consultant duties and focus areas. The core committee along with the consultant developed a three-fold strategy to prioritize activities and establish strong direction for the consultant and AGCC. These strategies included: establishment of a strong list of potential target companies to contact; development of a comprehensive package of information, tools and measures to present to target companies; and development of measurable target and goals to establish degree of success. (See appendix attached).

#### **October – December / 09**

- Continued work to advise the consultant on the collection of relevant information from carriers through the development of a template check-list. In addition further work was done in establishing stronger reporting procedures to the AMTA and AENV. Further improvements were carried out on the website: [www.truckfuelsavings.ca](http://www.truckfuelsavings.ca). During this period, analysis was conducted on relevant transport truck fuel efficiency programs in other provinces (BC and Manitoba), and with regard to a prospective provincial government rebate program targeted at fleet fuel efficiency improvements.

**Current MOU / AGCC Status:**

The major survey of Alberta carriers conducted by the AGCC in 2007, along with periodic funding from AENV, provided a strong foundation for the work set out for the consultant hire during 2009, focusing on the following areas:

- Identification of current, transport truck, industry-proven fuel efficiency practices (technologies and programs) with attractive payback periods, in the Alberta context.
- Identification of Alberta-based trucking companies that are not currently using these readily available, proven fuel efficiency practices, focusing on large to mid-sized carriers.
- Contact with relevant targeted carries to outline practices (case studies), and emphasize a business case to implementation, with focus on payback periods.
- Establishment of base-line information and conduct research toward the development of a future, potential rebate program.
- Prepare for possible implementation of comprehensive fuel efficiency component in Alberta driver education programs; and best practices – award/recognition program.

## Appendix A

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### Summary of Consultant Work through 2009:

The consultant hired by the AMTA, through funds made available from AENV, began conducting meetings with carrier representatives in September. These meetings were intended to assess current fuel efficiency practices and policies and provide information, resources and tools to Alberta carriers to encourage further steps towards increased fleet fuel efficiency and subsequent GHG emission reductions.

From September to December 2009 the consultant conducted 27 meetings with the following Alberta based carriers:

Orlick Transport, Tri-Line Transport, Sear Line Haul, Hannah Transport, Chariot Express, Docktor Freight Solutions, TBM Logistics, Trimac, Cascade Carriers, Kiowa International, Ralcan Holdings, Caneda Transport, Canadian Freightways, Crossline Carriers, Vedder Transport, Cardinal Coach Lines, Caron Transportation Systems, Hazco, H&R Transport, A & B Rail Transportation, Southland Transportation, Mustang Freightways, Marshall Trucking, Federated Cooperatives, Manitoulin Transport, Southland Transportation, Totem Building Supplies.

The consultant found that the majority of companies interviewed had established an internal corporate target for baseline fuel consumption, with monitoring systems in place to address drivers and units that were not meeting this target.

The consultant also found that the larger corporations within this group were most likely to have implemented further fuel efficiency technologies into their fleet, such as skirting, idle control devices, APUs, etc. While smaller to mid-sized companies were less likely to have implemented such technologies and had limited awareness of market ready products.

An often cited barrier to implementation was upfront costs and perception of a lengthy pay-back period. Most carriers maintained that a pay-back period of more than 3 years was excessive, and presented a challenge in moving forward with new technology to reduce fuel consumption.