

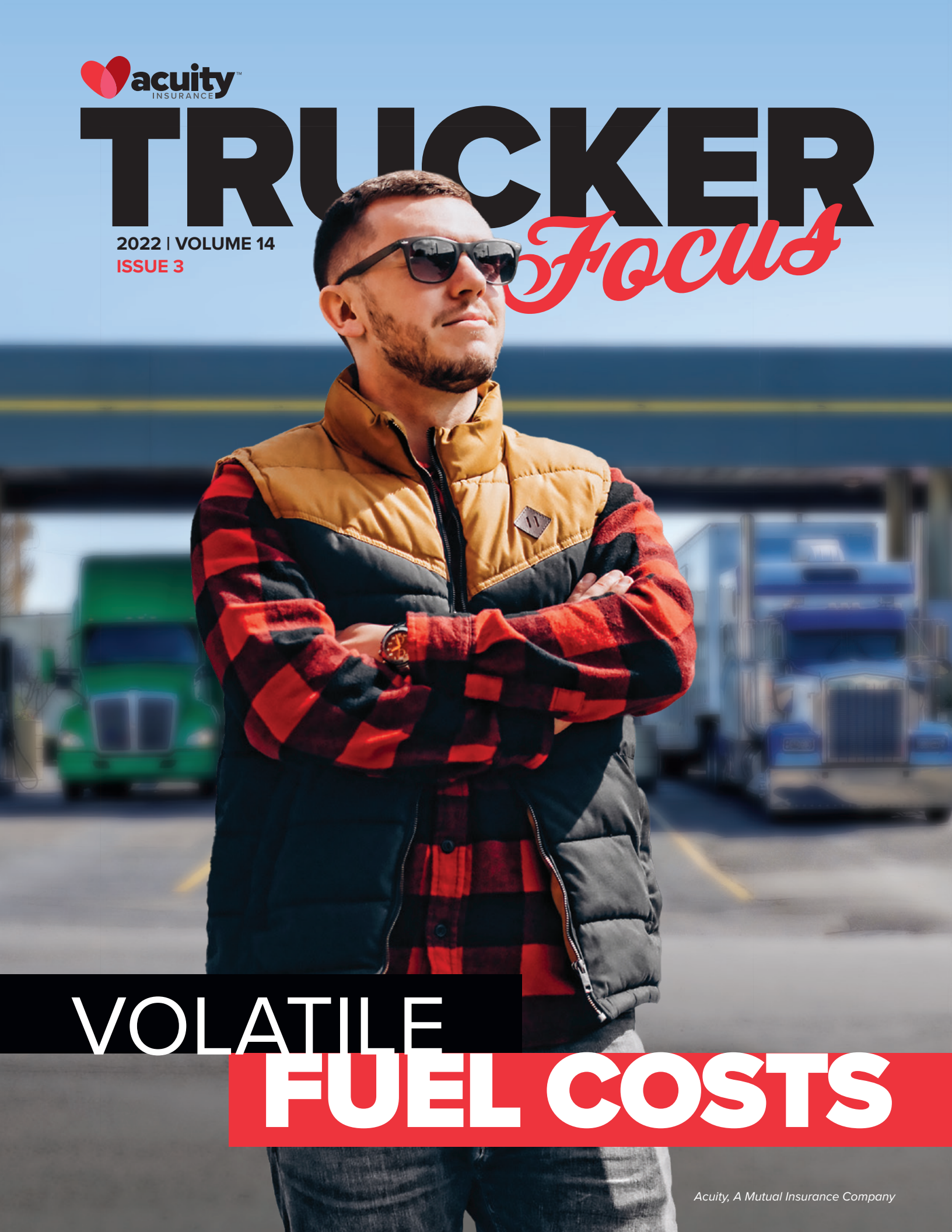


TRUCKER

2022 | VOLUME 14

ISSUE 3

Focus



VOLATILE

FUEL COSTS

MANAGING FUEL COST VOLATILITY



Writing about saving money on a trucking fleet's fuel purchasing program during these turbulent times was a bit daunting. Consider that in July 2020, #2 diesel averaged \$2.43 per gallon, in 2021 it was \$3.33, and through the first half of 2022 we saw an unprecedented increase in fuel prices. Although prices are expected to trend downward through the remainder of the year, this volatility demonstrates the importance of managing fuel costs.

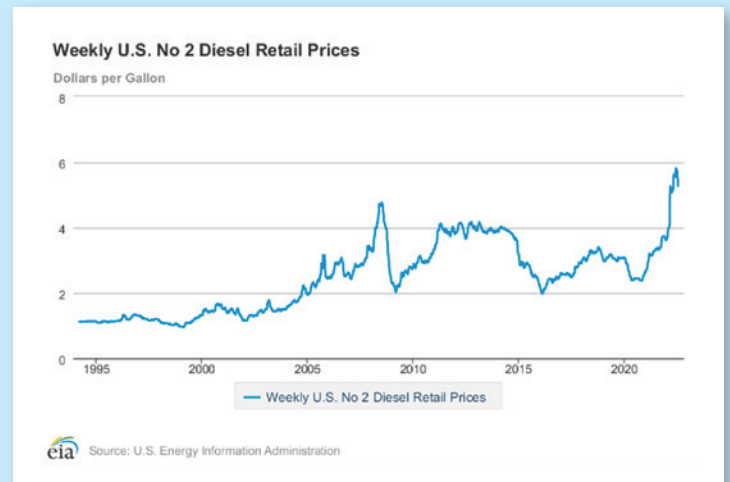
There have been many articles written about how to control these costs; however, most repeat the same ideas, such as:

- *Implementing fuel optimization technology, identifying the cheapest or best fuel stops along the most practical route, and purchasing fuel in low-fuel-tax states.*
- *Managing driver speed, acceleration, shifting, and idle time and providing driver fuel bonus incentives.*
- *Performing regular truck maintenance and consistently setting tire pressures to enhance fuel mileage.*

Some articles even mention choosing the correct lubricant. While these can all be effective, many fleets have already implemented these money-saving practices.



The U.S. Energy Department's chart below illustrates the volatility of #2 diesel pricing.



When prices increase 150%, whether you own a single truck or operate a larger fleet, your checkbook is going to notice. For example, pumping fuel into two 125-gallon diesel tanks would cost \$500 at \$2 per gallon, but the cost would escalate to \$1,250 to fill up those same tanks at \$5 per gallon.

And it's not just fuel-related costs—other operational costs have increased as well. Employees, tires, equipment, parts, fluids, maintenance, deadhead miles, and other expenses are taking a bigger bite of the pie. To address this, it is important to work with customers to pass on some of these additional costs of operation. Fleets relying mainly on the spot

market are expected to experience a tough time maintaining profitability when freight slows.

Carriers typically increase their fuel surcharge one penny for every 6-cent increase in diesel price above their established baseline. For example, if a fleet determines their fuel price baseline is \$2.50, then a fuel surcharge would be calculated whenever diesel prices rise above \$2.50. If the price of diesel increased to \$2.56 per gallon, the carrier would add a fuel surcharge of \$0.01 per mile. If diesel increased to \$2.62, they would charge \$0.02 per mile and so forth. At \$5 per gallon, the fuel surcharge would increase to \$0.42 per mile.

Many large fleets understand and utilize the futures and spot market, terminal and dealer tank wagon pricing, and realize considerable savings over retail prices paid at the pump. However, a popular fuel purchasing program dominating many trucking fleets is the “retail minus” structure. Using the retail minus pricing plan, fleets pay the actual posted pump price and receive a negotiated rebate amount from the fuel card provider. This is negotiable based on the size of the fleet, the volume of fuel purchased, and meeting agreed fuel purchase amounts. Many such fuel card options are available.



Light-Duty Work for Truck Drivers

Light-duty work provides alternative tasks for injured employees during their recovery until they are approved by a doctor to return to their regular job responsibilities. Both your company and your employees can benefit from light-duty programs.

Light-duty programs decrease the likelihood of lingering workers' compensation claims and can minimize prolonged disability expenses by enhancing worker recovery through the physical and mental stimulation of returning to work. Light-duty programs also minimize the cost of hiring and training replacement employees. Everyone benefits from the productivity of employees who would otherwise be completely off work due to an injury.

Light-duty programs provide a method for injured employees to be contributing members of the team and your company. They stay mentally and physically conditioned to a regular work schedule and maintain social contact with their coworkers, which can encourage a faster return to full-duty work. Light-duty programs also minimize financial losses often incurred due to time lost while recovering.

Light-duty tasks should be reviewed and approved by the injured employee's doctor to ensure tasks can be safely performed. Always be careful to strictly adhere to the doctor's restrictions to avoid reinjury and prolonged recovery. It is important to protect the healing process and allow time for the employee to recover properly under their doctor's care.

The examples listed below are light-duty tasks that an injured worker may be able to safely perform. Several of the tasks may be combined to round out a driver's day. For instance, a worker may be assigned jobs 1, 2, and 5.

Light-Duty Work Examples	Physical Requirements
1. Employee will perform dispatching duties. This task will involve communicating with truck drivers regarding pick up or delivery of loads via telephone or other forms of communication.	This task may be performed while standing or seated and involves operating a telephone. It involves no lifting, reaching, bending, stooping, or pushing/pulling. Accommodations to facilitate physical restrictions may involve the use of a telephone headset.
2. Employee will audit hours-of-service logs to ensure compliance with FMCSA regulations.	This task may be performed while standing or seated and involves no lifting, reaching, bending, stooping, or pushing/pulling. Use of a pen or keyboard may be required.
3. Employee will operate a forklift (low motor) to move items within the warehouse and/or to load and unload trailers using a forklift.	This task requires the employee to get on and off a forklift and to operate all forklift controls. Performing this task may require both verbal and practical instruction. It involves no lifting. This task may not be performed by an individual under the influence of any prescription or non-prescription drugs that warn against operating heavy equipment.
4. Employee will serve as an evaluator for road tests of prospective drivers.	This task requires the employee to get in and out of the passenger seat of a conventional road tractor (semi) and to make visual observations. It must be performed in a seated position. This task involves no lifting.



Motor Carrier TOOLBOX

Our Motor Carrier Toolbox has loads of great information, such as this handy reference for light-duty work alternative tasks. All the resources of the Motor Carrier Toolbox are available without a sign-in!

Visit www.acuity.com/mctb to see everything we have to offer!

ASK THE CONSULTANT

Cliff Johnson
is Acuity's Trucking
Consultant. Have a
question for Cliff?
Reach him at
cliff@acuity.com.



Ask Cliff

“How can I reduce distracted driving in my operation?”

Though telematic technology has come a long way, there is nothing that can compare to a conscientious, safe driver. With today's modern conveniences, texting and similar activities require visual, manual, and cognitive attention, making them a concerning driver distraction. Studies have shown that drivers who text look away from the road about 4.6 seconds. At 55 miles per hour, a vehicle will travel more than the distance of a football field during that time. When you think about the crowded traffic on many roadways, that is startling!

To reduce serious accidents and fatalities, the FMCSA banned texting using handheld devices. However, there are many other distractions drivers can face, including common activities like adjusting a radio, eating, drinking, using maps and navigation devices, and searching for an item in the cab.

Your fleet has an important role to play in reducing distracted driving. Here are six important steps you can follow to help drivers operate safely and free of distractions.

- 1** *Create a distracted driving policy for all employees that requires drivers to focus only on driving tasks while operating a vehicle. The policy should indicate that activities such as texting, using hand-held cell phones, and similar distractions are prohibited while driving and failure to comply with the rule will result in disciplinary action.*
- 2** *Educate and train all employees affected by the policy and provide written copies to hand out during training, which can be conducted during new hire orientation, driver meetings, and one-on-one coaching. Additional periodic reminders can include sending information via paycheck stuffers and leaving information in cabs. Acuity offers posters for our customers and can provide in-cab adhesive decals reminding drivers of your policy and the regulation.*

- 3** *Enforce the policy! Involve drivers by asking them to become ambassadors representing your fleet while on the road. It is not a big ask of employees to follow regulations and help get people home to their families at night. Demonstrate that you are willing to enforce the policy and that it will be audited. The old saying “trust but verify” is essential for changing driver behavior.*

- 4** *Use technology to help with compliance and enforcement. Your fleet's on-board communication systems should be locked while a vehicle is in motion. Most systems have options to shut down devices when the vehicle is being operated.*

- 5** *Don't allow one-touch, hands-free, or voice-activated systems. Even if they can be used per the regulation, it is safer to prohibit the use of communication or social media technology altogether while driving.*

- 6** *Be willing to terminate unsafe drivers. At the end of the day, this is about protecting your drivers and your business. You must be willing to use a progressive disciplinary policy and terminate drivers who operate outside regulations and your company's policies.*

If further training and education is desired to enhance driver safety, there are many safe driving programs available. Some Acuity insureds have provided positive feedback on their use of the Smith System, which incorporates five keys to help reduce crashes and accidents.

Safety often provides a huge return on investment. Accidents can be costly in terms of damage to vehicles, public liability, customers not being served, drivers quitting, and more.

WIN \$100!

**FIND THE FLAGPOLE
TO BE ENTERED!**



Acuity is proud to hoist a 70- by 140-foot American flag on a 400-foot flagpole at our headquarters in Sheboygan, WI. Visit www.acuity.com/flag to learn more.

To enter, find the flagpole hidden in this issue and send an email with the location to flagcontest@acuity.com. We'll randomly choose a winner from the correct entries received by October 31, 2022.

WINNER

of last issue's contest was:

Gregg A. Wagner

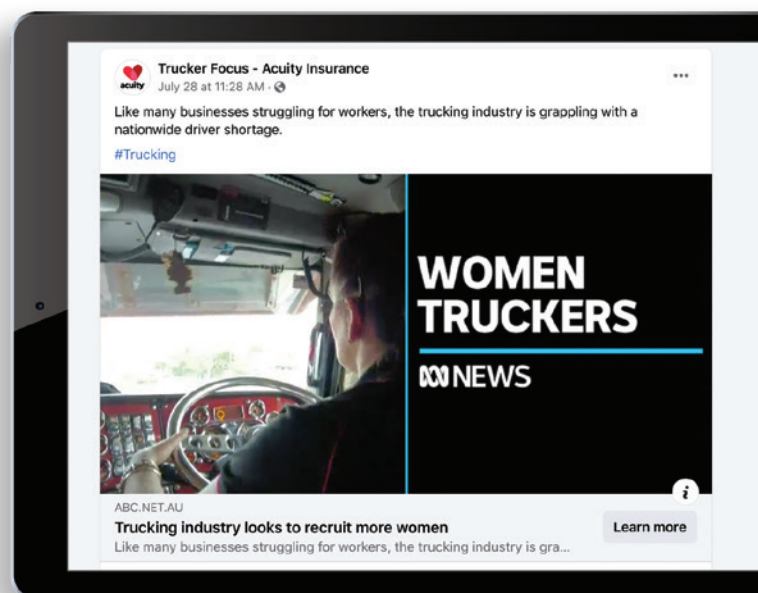
Wagner Excavating, Inc.
Sheboygan, WI

This contest is not open to employees of Acuity or their immediate family members. For a complete list of rules, visit www.acuity.com/flagcontestrules.

JOIN THE CONVERSATION

 facebook.com/acuitytrucking

Like many businesses struggling for workers, the trucking industry is grappling with a nationwide driver shortage. Read about this and more and join in the discussion on our trucking Facebook page, facebook.com/acuitytrucking.



SUICIDE AWARENESS

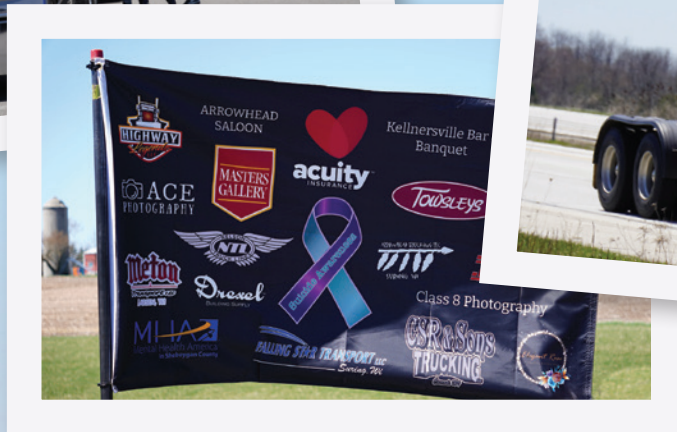
CONVOY ROLLS WITH SUPPORT FROM ACUITY

Earlier this year, over 175 trucks from across Wisconsin drove more than 40 miles on Interstate 43 from Kellnersville, past Acuity's headquarters, to Oostburg, and back as part of the second annual Semi Convoy for Suicide Awareness. Acuity provided financial support for and promotion of the event, which was organized by Mental Health America Sheboygan County.

Trucks carried flags in memory of Nicole Warner, who died of suicide in 2019 at the age of 19.

"Suicide is a public health epidemic in this country, and we need to talk more about mental health," says Julie Preder, Mental Health America Sheboygan Executive Director, noting that the trucking industry experiences the fifth-highest risk of work-related suicide.

"Truckers spend a lot of time in isolation and away from family and friends, highlighting how important it is to understand how mental health needs to be at the forefront," she says.



BEST OF THE BLOG



CDL DRUG TESTING ACCORDING TO FMCSA GUIDELINES

Our loss control staff is often asked about FMCSA drug testing requirements for CDL holders, so I thought I'd take a moment to clarify some points.

Part 382 applies to all employees required to hold CDLs (or the Mexican or Canadian equivalent). This means that, unlike most other safety regulations, it applies to both intrastate and interstate CMV drivers. So, if a truck is large enough to require a CDL, all drivers are subject to drug and alcohol testing—even if they only drive a few miles per week and never cross state lines. This could include mechanics, dispatchers, warehouse workers, or any other occasional or fill-in drivers.

Mechanics? Yes, do not forget about mechanics. Even if your technicians only test drive CMVs, they are required to have a CDL and be placed in your DOT drug and alcohol testing program. A mechanic would be subject to all components of Part 382—pre-employment screening, random drug testing, educational materials, and previous employer drug and alcohol testing information.

Remember, there are three situations in which a commercial driver must be tested for drugs and alcohol following an accident:

- *Any time the accident results in a fatality.*
- *If the commercial driver receives a citation AND someone in the accident is injured and receives immediate medical attention away from the scene.*
- *If the commercial driver receives a citation AND one or more vehicles incur disabling damage requiring the vehicle to be towed from the scene.*

If the accident only involves getting on or off the vehicle, or the loading or unloading of cargo, the driver would not be required to have a post-accident drug or alcohol test.

If you need to implement a drug and alcohol testing program, the FMCSA has a helpful guide that also addresses joining a consortium, which can be a great option for smaller employers. You can also contact your state's trucking association for guidance, as many associations have vendor partnerships to help with this.

Acuity is here to help trucking companies navigate FMCSA regulations. If you need additional support regarding driver qualification, maintenance records, DVIR processes, logbook auditing, or other related topics, please contact your loss control representative or check out our motor carrier toolbox at www.acuity.com/mctb.



TEAR ALONG THE PERFORATION LINE



Acuity Knows Trucking!

Check out our dedicated trucking-focused online channels!



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acuity.com/trucking



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facebook.com/acuitytrucking



Blog
acuity.com/trucker-focus



YouTube
youtube.com/acuityinsurance
(Trucker Focus playlist)



LinkedIn
linkedin.com/company/acuity-insurance



Twitter
twitter.com/acuityinsurance

TRUCKING QUESTIONS?

Acuity's on-site trucking consultant provides over 30 years of industry experience to your business.



Email

trucking.news@acuity.com



Phone

800.242.7666, extension 1740





MAKING THE CONNECTION

TRUCKER TALK AHEAD 

HAZARD



Stress to your wrist, shoulder, elbow, and back are two to three times higher when you lean, twist, or use other awkward postures.

It may not look like a big deal, but how you make the connections matters. Awkward reaching, holds, and motions with added force can cause injuries to your muscles, tendons, and joints.

DRIVERS

- Be aware of your surroundings when checking or hooking up your electrical system.
- Watch for debris, ice, spills, and uneven ground.
- Wear your high-visibility clothing so others can see you.

SOLUTION



If possible, use a full-fist power grip to make connections. Support tightening or loosening motions with your free hand.

MANAGEMENT

- Check the configuration of equipment when ordering new trucks. The connection block should be positioned below shoulder level and close to the trailer edge for easy access.
- Position battery box so it is not in the way of the connection block.
- Talk to your dealer about after-market equipment to upgrade older-style trailers and trucks.



focused on truckers

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