



ROAD TALK

AN OFFICIAL PUBLICATION FOR TRUCKING PROFESSIONALS

VOL. 15, NO.3

MAY/JUNE 2012

HOT FUEL

Fuel producers and wholesalers agree to settle

Oil refiners BP products, Shell Oil, ConocoPhillips and Valero Marketing and Supply including Wal-mart, Casey's General Stores and Costco Wholesale have all agreed to settle lawsuits accusing them of profiting from "hot fuel" gasoline and/or diesel fuel. As of this publication, Costco is the only one of the listed companies that has reached a settlement.

In their settlement, Costco has agreed to convert gasoline pumps in certain states during the next five years to automatically compensate for expansion in fuel due to changing temperatures. Costco will not pay a monetary settlement, but may have to pay attorney costs. Presiding Judge Katherine Vratil rejected consideration of any fees until all the hot fuel cases had been settled.

The term "hot fuel" refers to the expansion of gasoline or diesel fuel above 60 degrees F. It is said that gasoline fuel expands 1% for every 15 degrees F change in temperature and .6% change for diesel fuel. The 60 degree F is an age old standard used in the industry to consistently measure gasoline volume starting at the refinery and ending just before the retail pump. At the pump, the consumer may not have received the benefit of the 60 degree standard and instead may receive less energy per gallon.

In the U.S., a gallon measures 231 cubic inches and that is what a fuel pump is set to deliver. However, at 98 degrees, that same gallon can expand to 236 cubic inches causing the consumer a loss of 5 cubic inches worth of fuel energy. Those 5 cubic inches roughly translate to an energy loss worth \$1,400/year for a trucker and \$65/year for smaller passenger vehicles.

What you expect: 15,000 mi – (750 gal @ 60° F * 20 mpg)
Minus Expansion: (5 in³ = .0215 gal)
What you get: 14,680 mi – (736 gal @ 98° F * 20 mpg)

Photographing The Accident Scene



Described below is an unfortunately common form of insurance fraud that targets truckers, it is termed the Swoop & Squat. The Swoop & Squat involves two vehicles that position themselves in front of the trucker. The lead vehicle (swoop vehicle) hits his brakes hard followed by the second vehicle (squat vehicle) which slams on his brakes. The two vehicles know what they are doing and position themselves to ensure a collision with the trucker.

Following the collision, the lead vehicle flees the scene leaving the trucker and the squat vehicle behind. The squat vehicle, often filled with passengers claiming injuries, now calls 911 to request an ambulance. When the highway patrol arrives, the other driver blames

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Truckers must choose Medical Examiners from certified registry

The U.S. Department of Transportation has published a final rule that requires healthcare professionals who perform medical examinations for interstate truck and bus drivers to be trained, tested and certified on the specific physical qualifications that affect a driver's ability to safely operate the vehicle. The final rule also creates a national online database of medical examiners who have completed the Federal Motor Carrier Safety Administration's (FMCSA) certification process.

On May 21, 2012, the FMCSA is expected to post its training and testing standards for medical examiners online at www.nrcme.fmcsa.dot.gov. By May 21, 2014, all certified medical examiners must be on the National Registry database, and drivers must obtain a medical examination from a certified examiner. Medical examiners who fail to maintain federal standards will be removed from the registry.

Medical examiners perform approximately three million examinations on commercial truck and bus drivers each year. A Department of Transportation medical exam looks at a range of conditions to determine a driver's medical fitness, including cardiovascular disease, respiratory and muscular functions, vision and hearing.

All commercial drivers must pass a Department of Transportation medical examination at least every two years in order to obtain a valid medical certificate, maintain their commercial driver's license and legally drive a commercial motor vehicle.

It still remains to be seen how many medical examiners will actually apply for, get certified for and maintain certification for the new process. With an estimated three million exams performed each year, any shortage of medical examiners would necessitate advanced appointment setting and likely higher costs for the exam.



Are you ready for Roadcheck

June 5-7, 2012

Roadcheck is the largest targeted enforcement program on commercial vehicles in the world, with approximately 14 trucks or buses being inspected, on average, every minute from Canada to Mexico beginning June 5-7, 2012. Each year, approximately 10,000 CVSA-certified local, state, provincial and federal inspectors at 1,500 locations across North America perform the truck and bus inspections. CVSA sponsors Roadcheck with participation by the Federal Motor Carrier Safety Administration, Pipeline and Hazardous Materials Safety Administration, Canadian Council of Motor Transport Administrators, Transport Canada, and the Secretariat of Communications and Transportation (Mexico).

In addition to the vehicle inspections and driver interviews, emphasis will also be placed on identifying carriers operating "under-the-radar" by using improperly marked rental vehicles and/or operating as a for-hire property carrier rather than HHG carrier.

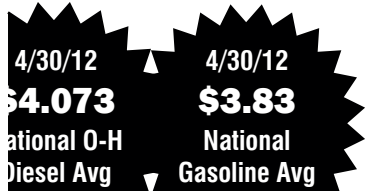


FUEL UPDATE

According to the U.S. Energy Information Association (EIA), world consumption, growth and supply disruptions are expected to contribute to higher oil and product prices this summer.

West Texas Intermediate Crude oil prices are expected to average about \$107 per barrel this summer compared with \$96 per barrel last summer. Retail gasoline prices are expected to average \$3.95 per gallon this summer compared with \$3.71 per gallon last summer. Gasoline prices should peak in May at a monthly average of \$4.01 per gallon. (Add 17-20 cents per gallon for California)

Diesel fuel prices are expected to increase from an average \$3.94 per gallon last summer to \$4.21 per gallon this summer with monthly prices peaking at \$4.25 per gallon in the middle of the driving season. (Add 23-25 cents per gallon for California). Numerous market uncertainties such as the unrest in the Middle East and North Africa may significantly impact prices and supplies during the rest of 2012.



On-highway Diesel Retail Prices

Region	4/30/12	3/26/12	4/25/11
East Coast	4.13	4.19	4.105
New England	4.255	4.263	4.222
Central Atlantic	4.22	4.279	4.238
Lower Atlantic	4.039	4.11	4.038
Midwest	3.971	4.046	4.061
Gulf Coast	3.98	4.055	4.024
Rocky Mtns	4.072	4.136	4.134
West Coast	4.33	4.433	4.305
California	4.396	4.476	4.438

Prices listed above are diesel averages in dollars per gallon.

Up-to-date statistics are available from the Department of Energy at www.eia.gov.

Surface Transportation Funding

March 29 - The House passed H.R. 4348 which included another 90-day extension of transportation programs, through September 31st. The bill contains no policy changes just a new expiration of existing programs. As mentioned in our last issue, the Senate has agreed to and passed S.1813, a two-year \$109 billion bill. The House, having abandoned their version (H.R. 7), will likely use it as a starting point for negotiations with the Senate on a compromise transportation bill. The first meeting of the 47-member conference committee is scheduled for May 8.

FMCSA Postpones Sleep Apnea Regulation

In a surprise turnaround, the FMCSA has withdrawn its April 20th proposed regulatory guidance for obstructive sleep apnea and request for comments. The agency had initially announced, with the recommendations of its two medical advisory panels, that it was seeking comments for certification, conditional certification and disqualification of drivers with obstructive sleep apnea.



FMCSA commented "The Agency is still in the process of carefully reviewing the recommendations submitted by the Motor Carrier Safety Advisory Committee and Medical Review Board. The initial publication was a clerical error. We anticipate requesting public comment on the recommendations later this year."

Some of the criteria that was mentioned in the original publication and which could lead to a disqualification or conditional certification is admission of excessive sleepiness during the wake period or while driving, a Body Mass Index (BMI) of 35 or greater, a small jaw or a thick neck. You can see the original publication at <http://www.gpo.gov/fdsys/pkg/FR-2012-04-20/pdf/2012-9555.pdf>

In brief, sleep apnea is a condition where, during sleep, a narrowing or closure of the upper airway causes repeated sleep disturbances leading to poor sleep quality and excessive daytime sleepiness.

SWOOP AND SQUAT

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the first car for braking hard and the trucker for following too close. The highway patrol generally cites the truck driver for following too close. Soon after, a lawsuit is filed against the trucking company claiming severe injuries on all parties within the squat vehicle.

Many insurance companies setup special investigation units to identify and deal with these situations, but it can be difficult to prove and prosecute without a little help and a little luck. That's where photos can really help.

By keeping a camera (disposable or digital) in your truck, claims professionals can use photos taken to help explain or justify your actions before, during or after the accident and identify potential insurance fraud. Here are some tips for taking photos.

Take a close-up of the impact area. Most cameras shoot clearly as close as 4 or 5 feet. Take an "entire scene" photo from all four sides of the accident scene. Stand far enough back to get the entire scene in the picture. If more than one vehicle is involved, shoot at a couple photos of each vehicle in relation to your truck. Take pictures of any signs, intersections, skid marks or obstructions, subjects involved, vehicle license plates and identification.


Drivers need to be aware of scams like these and we will bring this information to you from time to time to keep you informed. For now, if you witness two cars that appear to be traveling together, changing lanes together and positioning themselves in front of your truck, beware and take defensive maneuvers.

The information in this newsletter is taken from sources which we believe to be reliable, but is not guaranteed and isn't necessarily a complete statement of all the available data. Conclusions are based solely upon our best judgement and analysis of technical factors and industry information sources.



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