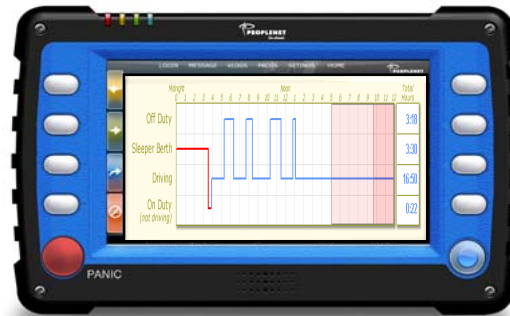


# Translating the Electronic Onboard Recorder Proposal



Brian McLaughlin

VP- Marketing And Product Planning, PeopleNet

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# Agenda

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- The Hype
- The Proposed Reality
- What's Next
- Q&A

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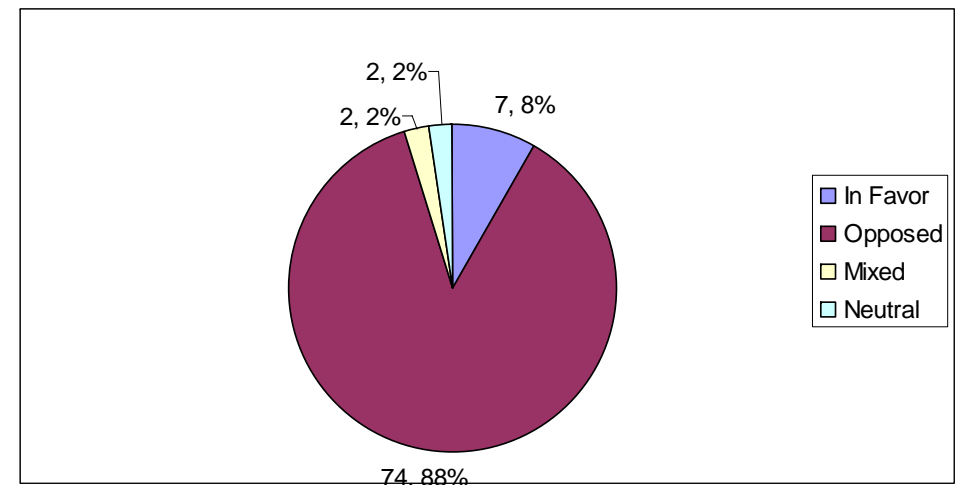
# The Hype

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# The Hype Primarily Focused On The Potential For An EOBR Mandate

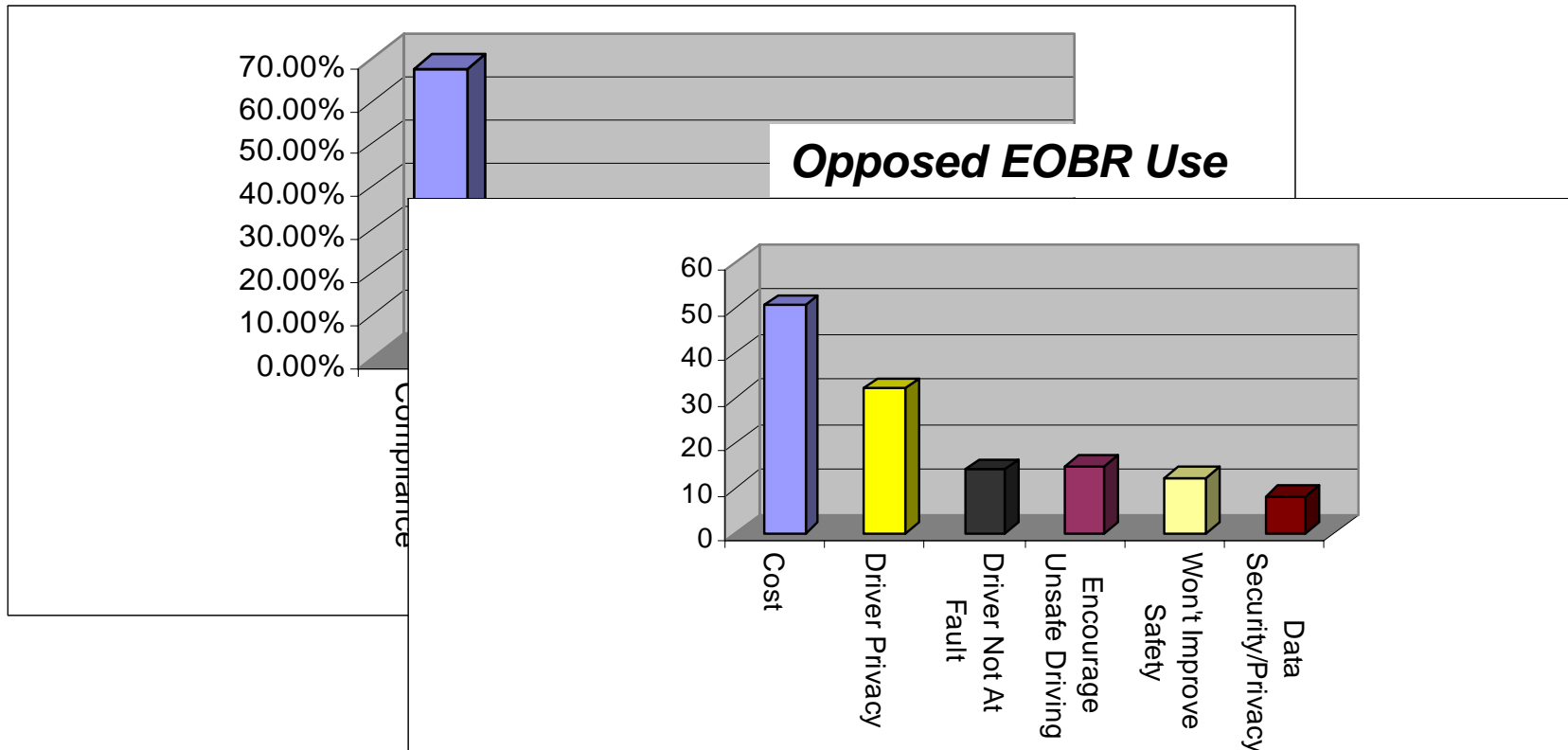
- Vast majority of carriers did NOT support an industry-wide mandate
- Various safety groups and the CTA endorsed a mandate along with several new EOBR providers (new entrants)
- ATA suggested, IF a mandate was put in place, to make it uniform across carriers



Source: American Transportation Research Institute

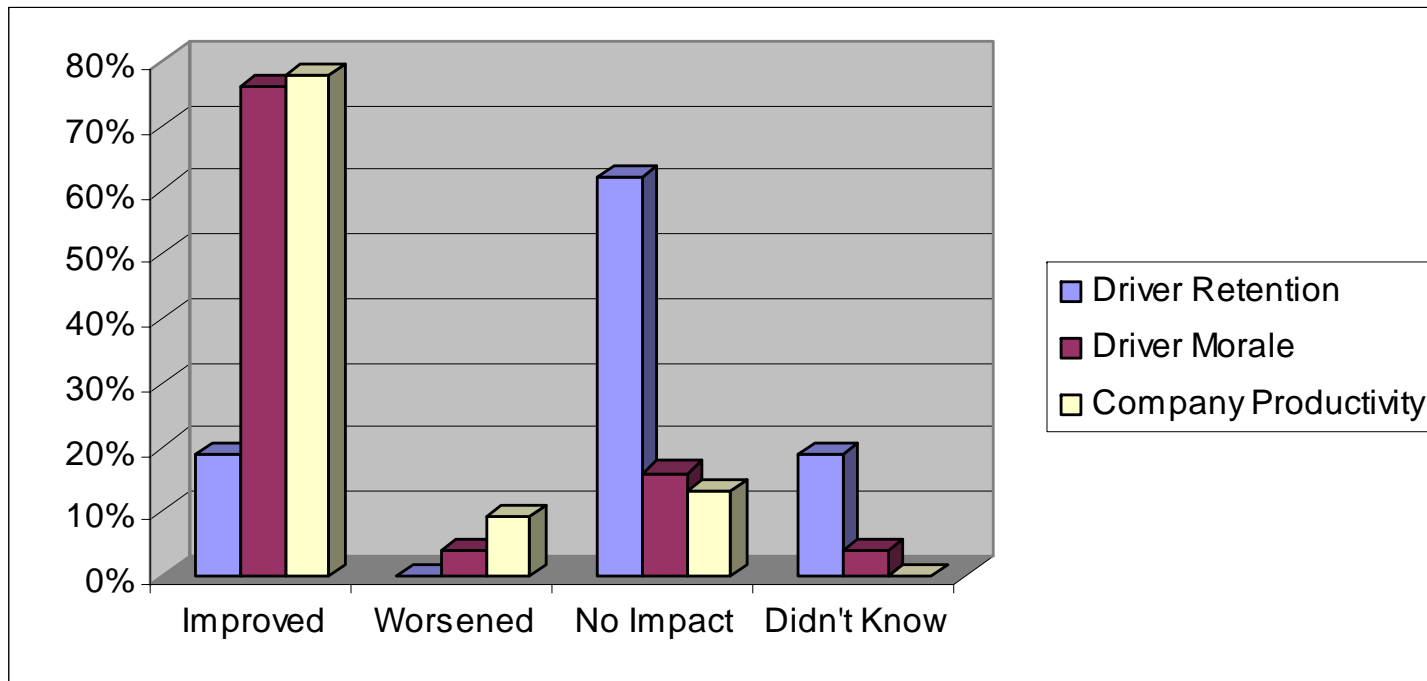
# Support For EOBR Use Varied Greatly For Different Reasons

*In Favor Of EOBR Use*



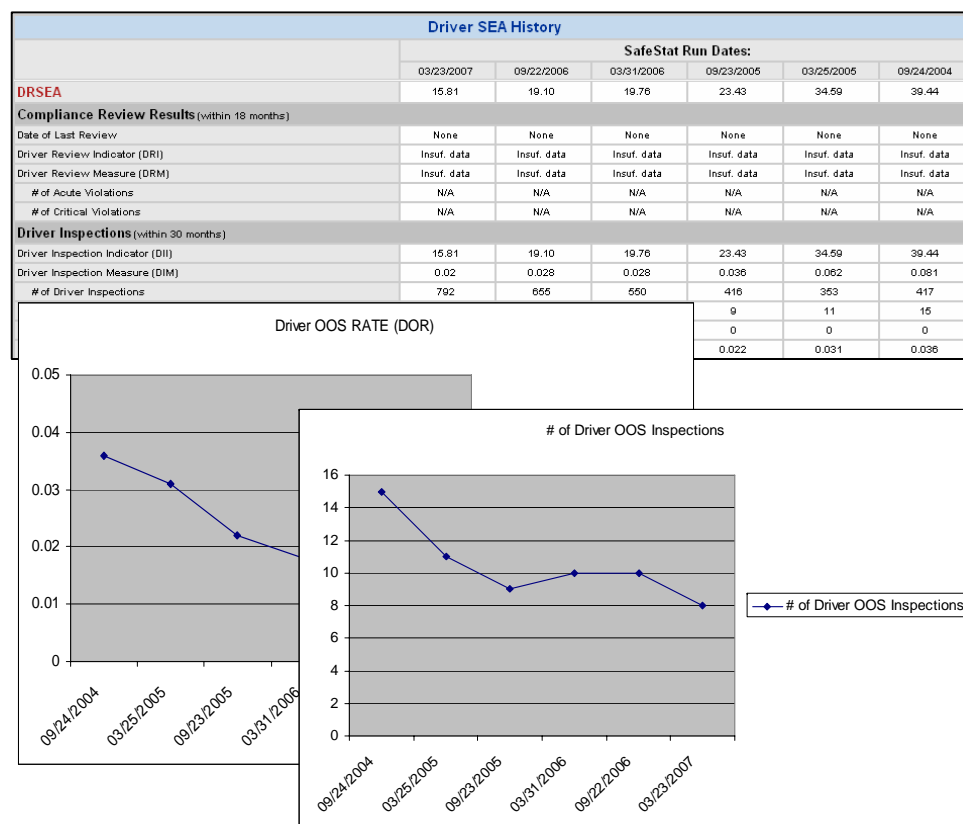
Source: American Transportation Research Institute

# Despite The Hype, the Impact Of Voluntary EOBR Use Continued



# Voluntary Use Benefit Case Study: Shaw Industries

- **Shaw Industries**
  - 72% reduction in driver OOS Rate (DOR)
  - 47% reduction in driver OOS inspections
- **Reasons for vast improvements**
  - 53% reduction in Violations per month from March 2004 to March 2007



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# Voluntary Use Benefit Case Study: Shaw Industries

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- **Reduce/Re-Assign personnel**
  - Pre-EOBR: 3 full-time employees (FTE) monitoring log violations, driver qualifications, and drug & alcohol screening.
  - After EOBR implementing reduced log staff to 2 FTE
  - 1 FTE re-assigned
- **Reduce/Remove time spent scanning**
  - Shaw reduced scanning costs by approximately \$18,000/year by re-assigning FTE
- **Reduce time driver log feedback by +75%**
  - Log feedback used to take 30 days now only takes a week
  - No missing logs; Terminals run their own driver management reports



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# The Proposed Reality

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# The FMCSA Rulemaking Process Is Currently In Mid-Course

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- 1988** Current AOB RD rule written for automated logging requirements
- 2004** FMCSA issues ANPRM regarding EOBR
- 2007 (Jan.)** FMCSA issues NPRM regarding EOBRs
- 2007 (April)** Comment period ends for NPRM ruling
- 2008 (?)** Modified and/or final rule in place
- 2010** Rule goes into effect for EOBRs installed 2 years after rule goes into effect

# The EOBR Ruling Is Comprised Of Three Areas Of Focus

- **New Performance Standards for EOBRs (395.16)**
  - Performance specification, not technical specification
  - VERY specific to HOS (not accident black box or other OBC functionality)
- **EOBRs to remediate regulatory noncompliance**
  - Mandate only applies to carriers who have demonstrated a serious non-compliance with the HOS (determined by two compliance reviews over 2-year period – carrier has > 10% violation rate)
- **Incentives to promote EOBR use in 3 forms**
  - Reducing compliance review to random sampling
  - Providing partial relief from HOS supporting docs
  - Other inherent incentives from the benefit of EOBRs



# The New Performance Requirement Will Be Gradually Phased In



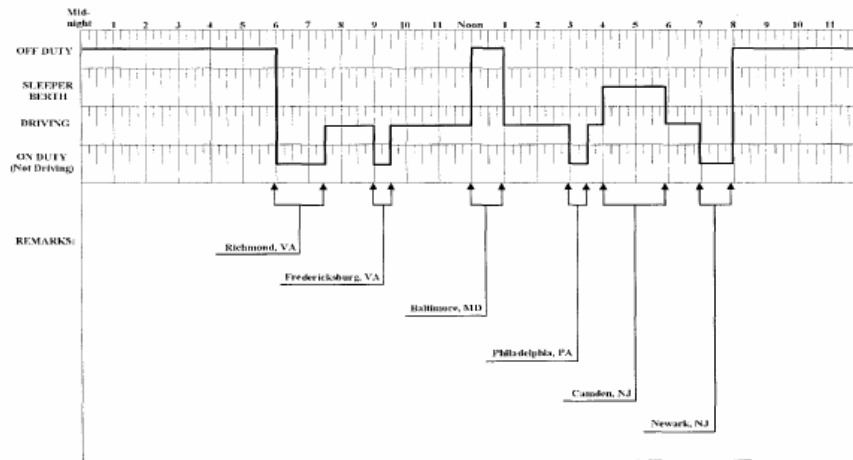
- Performance standard based which impacts vehicles manufactured on or after 2 years following the final rule
  - Estimated time between an NPRM and the final rule going into effect is 12months +
- EOBRs currently installed or installed before the final rule can be used in their current form for the remainder of the service life of the vehicle
- Systems that do not comply with the rules will have to be replaced after the end of life of the CMV or 2 years after the rulemaking (whichever comes first)

# 395.16 Will Require Fundamental Changes To How EOBRs Perform



- **Major Changes**

- Synchronization requirement removed



(graph) for law enforcement

- **Major Points The Same**

- Self certification process for EOBR vendors
- 8 days worth of logs must be stored onboard
- No printer required in-cab (option for display)
- Driver ID/password required for driver data
- Back office support system must be updated (wireless or other)

# Additional Performance Requirement Changes Of Note

- EOBR must be disabled while vehicle is moving
- Default auto on-duty status change to 15 minutes
- Driver prompting for violations warnings
- Logs must be viewable outside the cab
- Distance traveled (either ECM or GPS) must be accurate +/- 1% as compared to calibrated odometer for 24 hour period
- Greater ability for driver amendments (not driving status)



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# The Pros and Cons Of New Performance Specifications

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- **Pros:**

- Standard interface defined for roadside
- Allow for emerging technology
- Performance based, not technology based (for the most part)

- **Cons:**

- Added cost in some areas (1 minute GPS, graph on screen, wired AND wireless data transfer provision)
- Ruling specifies specific wireless protocols; which will evolve
- Lack of synchronization will present data and power challenges

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# Incentives Will Be Provided In The Form Of Supporting Documents Relief

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- Voluntary EOBR users will gain relief from Supporting Documents requirement
  - Will only have to keep supporting documents relevant to off duty and on-duty not driving time
- Supporting Documents ruling forthcoming which will lay out differences between EOBR and non-EOBR requirements for carriers
- Will the supporting documents burden on carriers become so great that they will have little choice but to adopt EOBR?



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# Incentives Will Also Be Provided In The Form Of Audit Relief

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- Incentive focused on perceived disadvantage EOBR users have in terms of information exposure to auditors
- To address, FMCSA is proposing a second, random sampling review of HOS records if the first standard review results in > 10% violations
- EOBR users will gain the benefit of only having sampling results impact carrier fitness rating (not both initial and follow up sampling)



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# EOBRs Will Be Mandated For Non-Compliance Carriers

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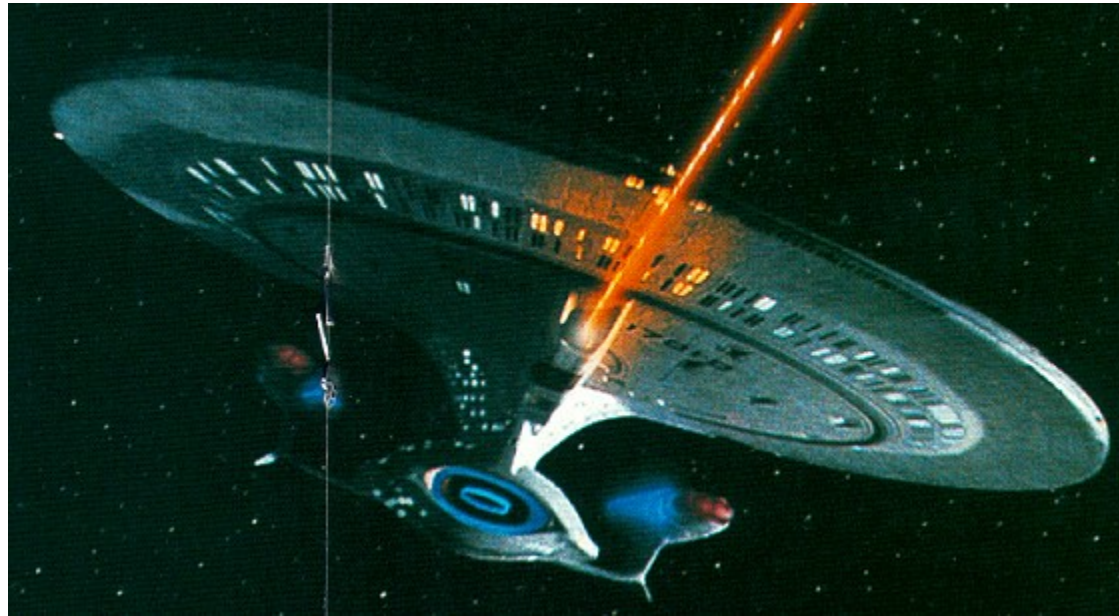
- **Mandate focused on carriers that have demonstrated a serious non-compliance with the HOS**
- **Determined by two compliance reviews over 2-year period – carrier has > 10% violation rate – “2x10”)**
- **Will impact over 1,200 carriers in current state**
- **Violators mandated to use EOBR for 2 years following assessment**



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# What's Next?

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# Carriers And Providers Should Stay

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- FM
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- Car
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## Transport Topics **Online**

TTNEWS.COM HOME

### Chat with FMCSA Administrator John H. Hill

DATE: May 22, 2007  
TIME: 3:30 to 5:00 p.m. EST

Submit your questions ahead of time for John H. Hill, Administrator, Federal Motor Carrier Safety Administration.

He will respond to questions on Wednesday, May 22, 2007 between 3:30 to 5:00 p.m. EST.

» [Click here to submit questions.](#)

» [Click here for chat session FAQs.](#)



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# Carriers And Providers Should Stay Informed

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- **Carriers should also assess voluntary adoption option independent of potential mandate**
  - Ensure system can/will accommodate new regulations (look for “open”/flexible systems)
    - Over the air programming
    - Web-based
    - Open ports (USB, Serial, etc.)
    - Wireless (WWAN, WLAN, WPAN)
  - Focus on key areas of benefit for driver and compliance
    - Driver time savings
    - Back office time savings/cost of paper and scanning
    - Driver Out Of Service/Inspection rates
  - Create test environment to measure driver receptivity and proactively prepare

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# Q&A

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