



2018 SmartWay Excellence Award Criteria & Process

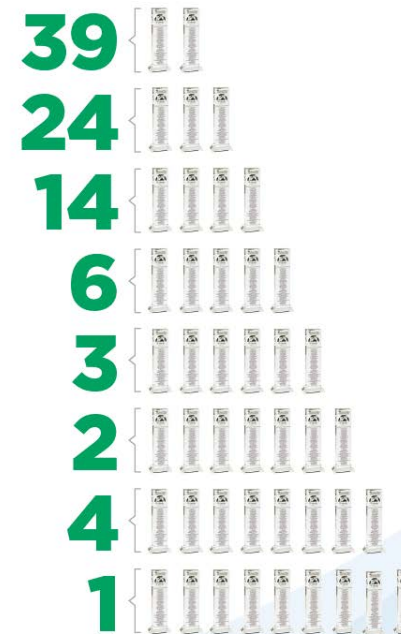
Partner Webinar
February 21, 2018

Award History

- Ten years of Partner recognition
- 221 Partner companies
- Ample opportunity for Award recognition of different partner companies each year



EPA has recognized SmartWay Excellence Award winners 10 times between 2006 and 2017.



EPA recognized 221 companies as Excellence Awardees at least once. Of these, 93 have been recognized as Excellence Awardees multiple times.



2018 Excellence Award Goals

- Recognize top Partners
- Screen Partners based on environmental performance
 - Using the most recent, completed annual reporting cycle from all Partner categories
 - Use semi-finalist process to select awardees in some categories
- Aim for a mix of large/small Partners
 - Using total annual miles traveled as indicator
- No new partner categories for Award recognition in 2018.

Candidate Selection for 2018

Carriers

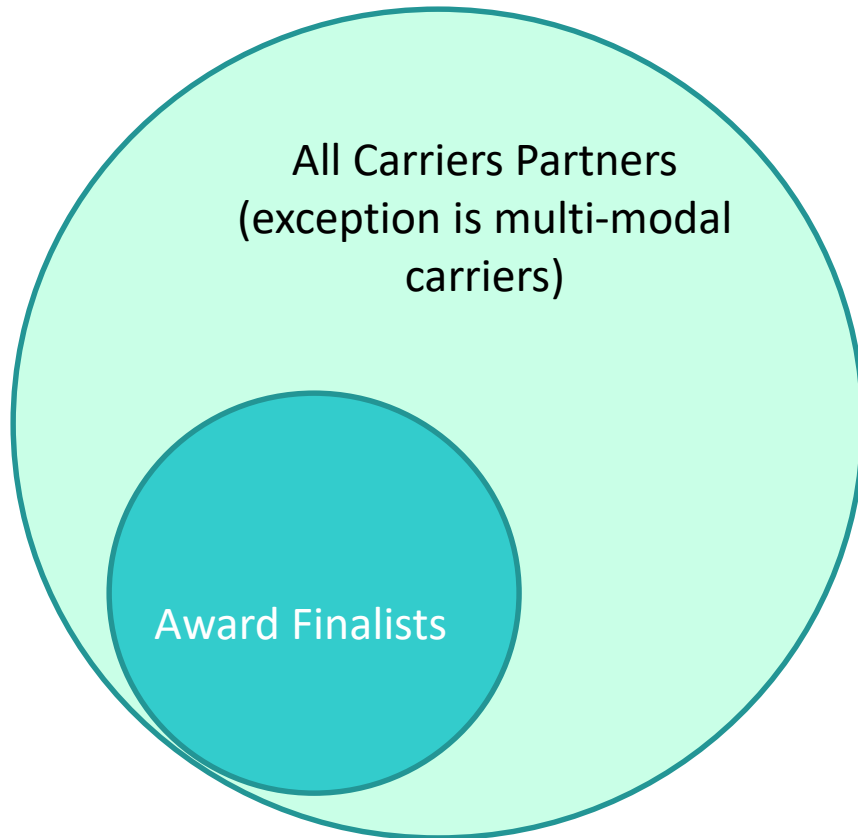
- Partner in good standing (submission of most recent Carrier Tool)
- Superior environmental performance
- Data quality is a critical element
- **Truck carriers do not submit an application for award consideration**
 - *Exception: multimodal fleets*

Shippers, Logistics & Multi-modal Carriers

- Partner in good standing (submission of most recent Partner Tools)
- Identify top partners as Semi-Finalists based on environmental performance
- Data quality is important
- Invite Semi-Finalists to submit supplemental documentation for qualitative consideration
 - Partners suggested this enhancement!

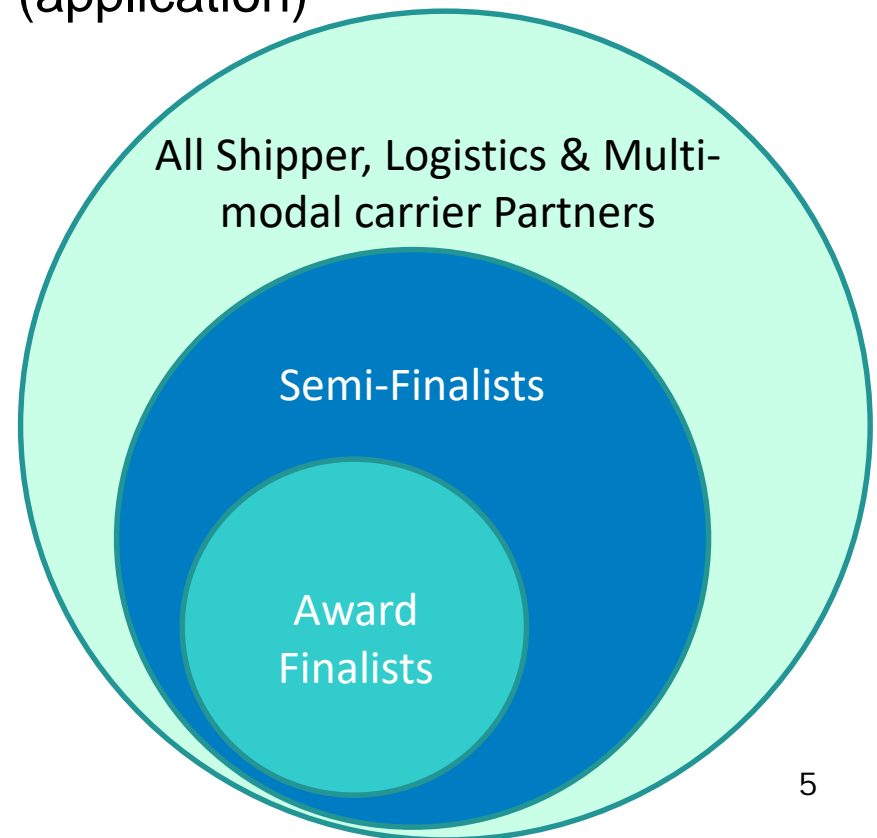
Carriers Selection

- Finalists: Environmental Performance



Shipper/Logistics & Multi-modal Carrier Selection

- Semi-Finalist candidates: Environmental Performance
- Finalists: Supplemental documentation completed & submitted (application)



Award Criteria for Carriers

Individual Fleet Composite Score is Based on this Formulae:

$$a \% [\text{CO}_2] + b \% [\text{NOx}] + c \% [\text{PM}] + x \% [\text{CO}_2] + y \% [\text{NOx}] + z \% [\text{PM}]$$

gram per ton-mile

gram per mile

- Carrier fleets assessed under this criteria include:
 - 1) Truck
 - 2) Multimodal
 - 3) Barge
 - 4) Rail
- **a%, b%, c%, x%, y%, z%** are the weighting factors for each of the six environmental metrics the program provides in the SmartWay tool
- **CO₂, NOx and PM in brackets refer to:**

A “decile rank” or “emission rating” based on either gram per ton-mile or gram per mile emissions

Award Criteria: Truck Carriers

Individual Truck Fleet Composite Score:

$$\frac{1}{6} [\text{CO}_2] + \frac{1}{6} [\text{NOx}] + \frac{1}{6} [\text{PM}] + \frac{1}{6} [\text{CO}_2] + \frac{1}{6} [\text{NOx}] + \frac{1}{6} [\text{PM}]$$

gram per ton-mile gram per mile

○ Truck Carrier fleets include:

- Truckload Dry Van, Less-than-Truckload Dry Van, Refrigerated, Package, Tanker, Flatbed, Dray, Expedited, Heavy Bulk, Mixed, Moving, Special, Auto

○ CO₂, NO_x and PM in brackets refer to:

- A “decile rank” or “emission rating” based on gram per ton-mile and gram per mile emissions

Award Criteria: Multimodal Carriers

Individual Fleet Composite Score is Based on :

$x\% [\text{CO}_2] + y\% [\text{NO}_x] + z\% [\text{PM}]$ or $x\% [\text{CO}_2] + y\% [\text{NO}_x] + z\% [\text{PM}]$

gram per ton-mile gram per mile

- **Two Sub-categories of Multimodal fleets assessed under this criterion:**
 - Truck/Rail and Truck/Rail/Air
- **CO₂, NO_x and PM in brackets refer to:**
 - An “emission rating” based on gram per ton-mile for most operations, and gram per mile emissions for MM LTL and MM Package subcategories
- **X%, Y%, Z% are the weighting factors**
x % = 50% for CO₂; **y %** = 25% for NO_x; **z %** = 25% for PM
- **Eligible Multi-modal partners will be invited to submit a semi-finalist application**

Award Criteria: Barge & Rail Carriers

Individual Fleet Composite Score (in gram per ton-mile):

$$x \% [\text{CO}_2] + y \% [\text{NO}_x] + z \% [\text{PM}]$$

- **Carrier fleets assessed under this criteria:**
 - Barge and Rail
- **X%, Y%, Z% are the weighting factors**
 - $x \%$ = 50% for carbon dioxide
 - $y \%$ = 25% for nitrogen oxides
 - $z \%$ = 25% for particulate matter
- **CO₂, NO_x and PM in brackets refer to:**
 - A “decile rank” or “emission rating” based on gram per ton-mile emissions

Carrier Award Criteria: Size Definition

○ Awards per truck fleet size.

- Large Carriers: annual miles traveled are greater than or equal to 1 % of the total miles traveled for that category
- Large Multi-modal, greater than or equal to 5 %
- Large Package Delivery, greater than or equal to 0.1 %.
- Medium/Small Carriers: annual miles traveled are less than 1 % of the total miles traveled for that category
- Medium/Small Multi-modal, less than 5 %
- Medium/Small Package Delivery, less than 0.1 %.

○ 14 Carrier Fleet categories:

- TL/Dry Van
- Tanker
- Specialized
- Refrigerated
- Package
- Moving
- Mixed
- LTL/Dry Van
- Heavy/Bulk
- Flatbed
- Dray
- Expedited
- Auto Carrier
- Multimodal

Award Criteria: Size Definition *continued*

- Awards per fleet size
 - Large Barge Carriers
 - Greater than or equal to 25 million annual ton-miles.
 - Small Barge Carriers
 - Fewer than 25 million annual ton-miles.
 - Large Rail Carriers
 - Class I railroads.
 - Small Rail Carriers
 - Class II and Class III railroads.

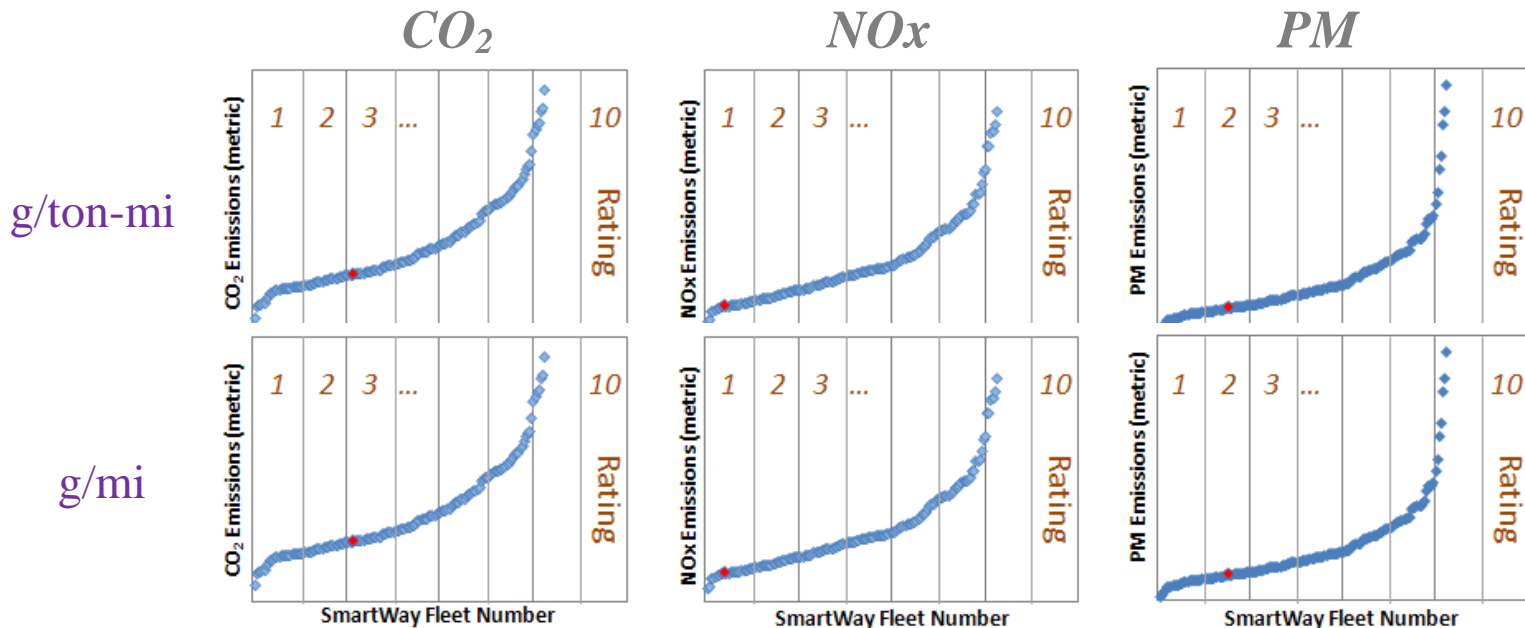
Every Carrier Fleet Has a Composite Performance Score

Each fleet has an emissions rating or decile rank for each emission-metric combination, ranging from 1 (least emitting) to 10 (highest emitting).

For its Excellence Award, SmartWay calculates a composite performance score for each fleet using SmartWay specified formula. Fleets in the same category and size groups are ranked against each other.

○ Example: $\frac{1}{6} [\text{CO}_2] + \frac{1}{6} [\text{NOx}] + \frac{1}{6} [\text{PM}] + \frac{1}{6} [\text{CO}_2] + \frac{1}{6} [\text{NOx}] + \frac{1}{6} [\text{PM}]$

Fleet Composite Performance Score = $\frac{1}{6} \times [\text{CO}_2 \text{ rating}] + \frac{1}{6} \times [\text{NOx rating}] + \frac{1}{6} \times [\text{PM rating}] + \frac{1}{6} \times [\text{CO}_2 \text{ rating}] + \frac{1}{6} \times [\text{NOx rating}] + \frac{1}{6} \times [\text{PM rating}]$



$$16.7\% \times [3] + 16.7\% \times [1] + 16.7\% \times [2] + 16.7\% \times [3] + 16.7\% \times [1] + 16.7\% \times [2]$$

=> **2.0** fleet performance score

Shippers: Award Criteria

- About five percent of SmartWay Shipper Partners that demonstrate top environmental performance will be selected as semi-finalists.
 - Semi-Finalist Criteria #1: Demonstrate that effectively 98 percent of miles or ton-miles shipped are with SmartWay Partners, using inputs to the shipper tool, based on data such as miles or ton-miles.
 - Semi-Finalist Criteria #2: Demonstrate top environmental performance based on a weighted average of three environmental metrics results from the SmartWay Shipper Tool (i.e. 50% CO₂ + 25% NO_x + 25% PM g/ton-mile).
- Awards given in three Shipper categories based on relative size of freight operations.
 - Large Shipper: 500 million or greater annual miles shipped.
 - Medium Shipper: Between 25 million and 500 million annual miles shipped.
 - Small Shipper: 25 million or fewer annual miles shipped.
- Eligible Shipper partners will be contacted and invited to submit a semi-finalist application.



Shipper Tool Data Needs

- Annual activity data includes
 - Total Miles and Ton-Miles
 - Total Ton-Miles and Average Payload
 - Total Miles and Average Payload
 - Total Miles for Truckload Operation

Logistics: Award Criteria

- About five percent of SmartWay Logistics Partners that demonstrate top environmental performance will be selected as semi-finalists.
 - Semi-Finalist Criteria #1: Demonstrate that effectively 80 percent of miles or ton-miles shipped are with SmartWay Partners.
 - Semi-Finalist Criteria #2: Demonstrate top environmental performance based on an equal weighting of all environmental metrics results from the SmartWay Logistics Tool (i.e. $\frac{1}{6}$ CO₂ g/ton-mi + $\frac{1}{6}$ NO_x g/ton-mi + $\frac{1}{6}$ PM g/ton-mi + $\frac{1}{6}$ CO₂ g/mi + $\frac{1}{6}$ NO_x g/mi + $\frac{1}{6}$ PM g/mi).
- Awards given in two Logistics categories based on size of freight operations
 - Large Logistics: 200 million or greater annual miles shipped.
 - Medium Logistics: Between 10 million and 200 million annual miles shipped.
 - Small Logistics: 10 million or fewer annual miles shipped.
- Eligible Logistics Partners will be contacted and invited to submit a semi-finalist application.



2018 SmartWay Excellence Award – EPA Criteria

What are the SmartWay Excellence Awards?

The SmartWay Excellence Awards are EPA's means to recognize Partners that have optimized the environmental performance and efficiency of their freight management operations.

The SmartWay Excellence Award program recognizes approximately the top two percent of Partners with superior environmental performance.

- To be eligible for consideration, qualified companies must have timely and accurate submittal of required data in the 2017 reporting cycle for all partner categories (i.e. be partners in good standing). For carriers, EPA must also have received a timely submission of the 2018 Tool.
- EPA makes a full review each year of every Partner's SmartWay Tool submission to assess qualifications for award consideration.
- Semi-finalists in selected partner categories will be contacted to submit an application.
- All Excellence Award finalists will be screened for any adverse environmental actions which may prohibit public recognition for their SmartWay achievements.
- EPA will notify those Partners that are selected as Awardees.

Timeline and Notification

- **January:** The SmartWay Award process and data review commences. EPA identifies candidates using data submitted via the 2017 SmartWay Tool, from all Partner categories.
- **February:** Shipper, logistics and multimodal carrier semi-finalists are identified and invited to submit supplemental information. Other carriers do not submit supplemental information.
- **April 16, 2018:** Submission deadline for shipper, logistics and multimodal carrier semi-finalists supplemental information.
- **June:** Final reviews and adverse environmental actions screening.
- **August:** Awardees notification (no public announcement until fall).
- **October:** Announcement of Award recipients.

Carrier Criteria

For each truck fleet category, EPA identifies finalists who demonstrate top environmental performance. Performance is based on an equal weighting of all environmental metrics results from the SmartWay Carrier Tool (i.e. $\frac{1}{4}$ CO₂ g/ton-mi + $\frac{1}{4}$ NO_x g/ton-mi + $\frac{1}{4}$ PM g/ton-mi + $\frac{1}{4}$ CO₂ g/mi + $\frac{1}{4}$ NO_x g/mi + $\frac{1}{4}$ PM g/mi). Exceptions for multimodal, barge and rail carriers are noted below.

- **Barge:** Barge carriers are assessed based on a 50% CO₂ + 25% NO_x + 25% PM g/ton-mile weighted result.
- **Rail:** Rail carriers are assessed based on a 50% CO₂ + 25% NO_x + 25% PM g/gross ton-mile weighted result.
- **Multimodal:** Multimodal composite fleets are assessed based on their performance. Two sub-categories for multimodal carriers include:
 - 1) truck/rail and 2) truck/rail/air.
 - Package and Less-than-Truckload multimodal carriers: Environmental performance is based on a 50% CO₂ + 25% NO_x + 25% PM g/mile weighted result.

Eligible multimodal carrier Partners will be invited to submit an Award semi-finalist application.

Awards will be given in carrier categories for truck, multimodal, barge and rail. The truck fleet carrier sub-categories are: TL/Dry Van, Tanker, LTL/Dry Van, Specialized, Refrigerated, Package, Moving, Mixed, Heavy/Bulk, Flatbed, Dray, Expedited, and Auto Carrier.

Continued

Shipper/Logistics & Multi-modal: Selection Process

- Semi-Finalists invited to submit information demonstrating SmartWay environmental leadership that:
 - Applies SmartWay data to the broader world of carbon accounting
 - Drives best practices in data quality through rigorous validation efforts
 - Leverages SmartWay registration (enrollment) efforts
 - Sustains and strengthens the SmartWay brand
 - Emphasizes Shipper environmental and efficiency strategies
 - Advances Mode optimization important to SmartWay
 - Considers SmartWay community efforts
- EPA reviews Partner submitted qualitative “leadership” considerations
- Award Finalist (Goal: Top percentage of category)
 - Meet criteria of top environmental performers and SmartWay leaders



Semi-Finalist Application Process

- EPA will notify/ invite all eligible semi-finalists to submit an application
 - Clear and complete responses to application questions needed
- Standard, digital, fillable application for all semi-finalists
 - Easy submission via:
 1. email: turkington.marcia@epa.gov
 2. fax: 734.214.4052, Attention: Marcia Turkington
 - Partners requested to substantiate or document their efforts described on the application via:
 - Web links (preferred)
 - Limited digital attachments
 - No hard copies allowed
- Semi-Finalist applications due: April 16, 2018

2018 Award Highlights

○ Awardee announcement

- Press release
- Industry conference(s)
- PSA
- Social media

○ Recognition

- Meet & greet event with EPA official
- Photo op and handshake
- Media coverage
- Peer recognition
- Opportunity to demonstrate corporate social responsibility



2018 SmartWay Award Milestones & Timeline

December 2017	Review and update Award criteria as appropriate.
February 2018	EPA announces 2018 Award program via SmartWay newsletter, email, website and webinars. EPA identifies Award candidates.
End-of-February 2018	Shipper, Logistics and Multimodal carrier semi-finalists invited to submit supplemental information. Other carriers do not submit supplemental information.
April 16, 2018	Submission deadline for semi-finalists application.
June 2018	EPA conducts final reviews and adverse environmental actions screening.
August 2018	Notification of Awardees (no public announcement until fall).
October 2018	Public announcement of SmartWay Excellence Award recipients.



Important to Remember

- Feel free to contact EPA with questions
 - SmartWay Brand Manager
(Joann Jackson Stephens)
 - Your SmartWay Partner Account Manager
- EPA will contact your company:
 - When eligible, for additional information
 - For Award notification



Questions & Answers



Thank You!

Joann Jackson Stephens
SmartWay Brand Manager

&

Dr. Chien Sze
SmartWay Associate Director

SmartWay email:
smartway_transport@epa.gov

SmartWay Helpline: 734-214-4767