

Draft Summary Notes - Melbourne Performance Based Standards Workshop for Industry Feb 2002

TOSA Chairman	A short introduction of the PBS subject to the Melbourne attendees. "What does PBS mean" – for all stakeholders? The Government, State Road Agencies, Equipment Suppliers and Carriers.
Mark Johnston	TOSA hopes to obtain some further broad confirmation of input for the NRTC as a result of these workshop discussions and outcomes.
Andrew Stewart	Some broad-brush industry numbers for background thinking. The average age of transport vehicles in Australia – the 1970's – 10 years, '80s – 12 years and for the '90s it is now 14 years.
Statistics & Goals	BTE freight task volume forecasts show an 80% increase nationally and 100% for the interstate task over the next 10 years. What will such a trend require in the form of vehicles? Many more vehicles, not less vehicles.
Managing Editor ATN & PSA	ABS data shows some disturbing levels of profitability in the transport sector. Who is paying adequate freight rates? 2002 is showing the biggest fall in rates. There is an expectation in some industry quarters of further growth in vehicle size and capacities. Semi-trailers to 50t Road Trains to 175t or 152,000litres? Most regulators and road agencies have called "enough". Will there be new freight hubs, improved local roads, when environmental approvals can take 4 years? There may be no (or fewer) approvals for larger facilities and freight hubs at city edges based on environmental considerations. Consider the make up of the registered national vehicle fleet. 1/3 Professional commercial fleets, 1/3 Construction, manufacturing fleet, 1/3 Service industries. It is most likely that the first 1/3 will become involved in the PBS process. (Some BTE 2002 Outlook forecast data tables shown) Australia has some unique imbalance of freight volumes that cause great pressures for truck utilisation. DOTRS truck utilisation data shows some \$800.000 waste. Access is a major regulatory cost issue. How are the operators increased costs to be funded?
Terry Pennington	The TIC, as part of TOSA has an expectation for the seminar to deliver some messages to government on a range of issues, that in future will be a single response. The TIC has many concerns that PBS is yet to focus on "the real issues". These must be addressed. The draft Performance Measures still number 23. Could it be that noise, emissions and others compete or will have global standards conflict?
Trucking Industry Council	If vehicle "ride quality" is to be a valid measure then it will lead to the need for a "road standard"? Manufacturers need to have certainty, with simple measures that are easy to follow. Australia has a small heavy vehicle-manufacturing base for the 15 t and over range, totalling 5000 per annum or approximately 600 units per brand per year. Will Australia move closer in harmonisation with the EC, Japan and the USA? Many of Australia's needs are not available overseas. Eg an unmodified BD pm. The costs associated with any unique development that is not "nationally uniform" will leave questions, who will pay, who will certify and who will pay for unplanned costs? What of the existing fleet? Are we sure that they will comply, if not, are any plans in place to address this issue? We know the freight task is to double. Vehicles are unlikely to get a lot bigger, leaving the option of more vehicles on the roads. Public perception is going to be a very important industry safety issue in the future. Vehicle size, noise, speed on highways and metropolitan roads. How can we "sell" a PBS regime about longer and bigger vehicles to our community? Enforcement is another major concern, being rather lax in many areas. This is in regard to noise, and the speed rules of 105-115kph. The costs of highly innovative and productive PBS vehicles will cost money. How will PBS be enforced and development costs be protected? KEEP IT SIMPLE.
Fiona Calvert	It is the NRTC intention to have a "simple" PBS system. It is not so much about "what will it be like" but more along the lines of "what it will do".
NRTC	We believe it must be better for industry to know what innovations might be possible eg; Quad-Quad BD's, Steerable axles, more than 6 axle artics, more cube etc. PBS must bring a responsive approach, be a national system and function more quickly to a shorter time frame. It is totally "optional" for operators. Further papers will become available next week covering many aspects of the PBS work plus compliance & enforcement.

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The scheme will be based on a partnership. Industry must play its part and maintain compliance in an ongoing way. It must be "implement-able".
Surveys show current vehicles CAN comply. The regulatory process can be built to ensure the nationally uniform scheme will remain as such in an ongoing way.

Michael Apps

The ATA is "positive" about PBS and the huge increased freight task forecast for the future.
Several concerns exist and we hope these can be put to rest from this workshop.

ATA

Could some of the present vehicle fleet become phased out by the PBS process? Some present innovative vehicles appear not to be able to meet PBS measures?
Industry must take a leadership role and show support for this project task in every way.
If PBS is not delivered properly it could well become a regulatory tool and not a productivity option for the States and national economy.
The Australian freight volumes are very different from the US or EU and PBS offers the best opportunity to cope with the doubling of our freight volumes.
Australian road transport presently operates at world's best practice level. Is the present system able to rise to the task of dealing fairly with PBS?
ATA will try to keep satisfying members wishes and concerns of productivity, safety for all road users and the protection of infrastructure.
Many see PBS as being too complicated. The ATA must work with OEM manufacturers to keep our costs down. We must keep commercial self-interest out.
Why is Australia moving to PBS ahead of others? We believe that as we are already the most efficient, PBS can best manage future efficiency.
NT & WA have been operating a form of PBS for many years.
Concerns also exist as to the possibility of PBS putting many existing vehicles out of service?
Vehicle numbers have increased some 60% in the last 10 years with a corresponding drop of 43% in accidents. The present fleet should be kept as a base fleet.
What of the options of running AB doubles between Wetherall Park and Campbellfield?
State Road Agencies and governments must also make investments in infrastructure.
PBS must not be a "pass-fail" but a "weighted assessment". ATA do not want a system that is not taken up. It must be taken up by all SRA's in a nationally uniform way.

Ken Cowell

Presentation of an actual vehicle development case study – N8 Highway and road train Prime Mover
Vehicle basic development costs \$216,000, + \$35,000 for brake testing, + DG capability if required, + improved suspension for better stability.

VOLVO Australia

Pitfalls of developing one-off vehicles include "scope-creep" as progress is made additional parameters are added eg DG capability, management stopping funds?
Other PBS study and assessment costs encountered have involved comparing a range of models against the operator's preference brand, \$10-30,00 min/max.
Volvo would see some of these costs would be shared with the operator.

Brian Horley

Presentation of the development costs of the IVECO MP 4700 BD prime mover, following the unchanged position of expected relief of the 25m BD length rule.
It is estimated that the Australian BD prime mover market is about 700 units per annum and growing.

IVECO

IVECO could not get any standard prime mover from Europe so a re-design was commenced in Australia from scratch.
Materials for the modification \$170,000 + labour amounting to 18,000 man-hours.
The main question for the manufacturer is what is the return on investment (ROI)? *Chairman – remember costs are also incurred by the regulator.*
Legislation must protect investment of any Australian PBS design. Australia should keep and allow all world standards.
The lesson is a little about "niche markets" v's volumes and narrow standards.

Peter Sweatman

What is PBS? How important is it? We need to update the progress with industry, regulators and suppliers.
PBS does not mean that anything outside general access can now get a permit to operate.

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ARTSA & Roaduser

Mass, Dimensions and configurations are the TOP issues. PBS is also about “Horses for Courses”, or STARTING, STOPPING & TURNING ? International comparisons cannot provide our Australian solutions. Vehicle configurations are likely to apply to less than 10% of PBS applications, Australia has a range of road classes that will also have a major influence on design and innovation. Manufacturers will provide performance data for engines, tyres, brakes, C of G. This means most performance will be pre-assessed. Compliance & enforcement will involve a national permit approval system and could include tagging vehicles, and route access rules as an alternative to prescription. Some possible PBS vehicle types – 50t quad axle semi, BD & B triple, Super BD 77t, Spin-offs and multiples eg; AB Triples. Static-Roll-Stability trials with a 124 (4 axle x tandem drive) 50t tanker produced a 30% less risk of rollover compared to a twin steer prime mover. PBS approved vehicles will operate with nationally consistent conditions, possibly including some accreditation, electronic tagging and an audit trail. The key driver in the 124 vehicle was the maximum SRS versus GCM. Such a selection sets up a conflict measure of bridge “Over-Stress”, benefits and resolution requires some add-ons to the operating conditions. Most measure are inconsequential, but we must assess the important safety measures. PBS has another practical role which is that of improving the present prescriptive limits and the gazettal and permit process. The PBS process must deliver a consistent approval outcome for this non-prescriptive initiative, using a minimum set of key measures. There must be a full menu of measures identified, based on current acceptable performance as well as ongoing research and trials. There must also be a duty of care to identify conflict measures to find a balance point. “Good Enough or Superior”?

John Edgar

The PBS consultants report is the present basis for the PBS progress so far. A 20 page “summary” report was made available to TOSA attendees. PBS Objectives – to keep it simple and cost effective, compliance will focus on the important elements, PBS is “optional” as a set of “tools”.

NRTC

Some present prescription will eventually go. The big challenge is to move more freight with higher productivity. Accredited PBS assessors must follow “Safety” as a high priority. Existing vehicle performance shows that existing vehicles will comply, but their specifications may change over time to some new measures. Eg; SRT.

FACILITATOR

Break-Out Group Sessions

Standards & Measures

Level of assessed performance against PBS measures and standards.
 Ensuring standards/measures are appropriate to the expectations of PBS – cost/benefits.
 Maintenance and review of prescriptive standards.

Peter Sweatman

Global standards
 STARTING Why make it better? It is a necessary safety measure. Will also be affected by upcoming noise/emission standards.
 STOPPING Should not require ABS braking?
 TURNING Stay with the Austroads template, need a BD template, need to allow for steerable axles, tail swing could be tight?
 GENERAL SAFETY & WELL BEING ride quality needs more emphasis,
 OFFSETTING STANDARDS superior performance should offset minor non-compliance.
 TEST METHODS Computer simulation option costs or in-field testing costs, the choice should be optional?
 MEASURES & STANDARDS Two key aspects are the DEMANDS from driver-road-traffic and the VEHICLE.
 PBS should: be safer, plan for higher standards over time, 6 axle as a minimum then provide improvements by reaching for something better, set separate standards for remote areas. Performance standards should address mass and cube equally?

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PRESCRIPTIVE STANDARDS should be reviewed, get it right for inter-changeability, 25m BD especially refrigerated vehicles, 2.6m width for refrigerated also, PBS could be too high (duty of care), some existing standards are already on the limits. Prescriptive standards will remain a preference by some.

GLOBAL STANDARDS These must be kept in focus, such as the UN-ECE and the US standards, outcomes will affect Australia. There is already pressure for adoption of the 2.6m width for refrigerated vehicles in Australia to meet new food standards.

Compliance and Enforcement

- ?? When will PBS be introduced and what is its expected life?
- ?? National uniformity aspects of PBS regulation and compliance?
- ?? Administrative demands/cost to operators and suppliers?

**Brett Wright
Las Bruzsa**

- ?? Enforcement aspects?
- ?? Grandfathering of current accepted practices?

TIMING the expected commencement for a national scheme is the end of 2003, or early 2004

UNIFORMITY PBS must be nationally uniform, assessor accreditation, application guidelines, vehicle certifications, dispute resolution, enforcement decisions.

ADMINISTRATION there will be a range of demands and some considerable cost to ensure a correct assessment has been conducted with ongoing compliance.

ENFORCEMENT enforcement officer training will be required, a national database of all PBS approval details will need to be set up, vehicle ID.

GRANDFATHERING uniform framework across all State and territory borders will be necessary. Database resources will need to be supplied to enforcement.

Costs & Resources

- ?? Costs to Manufacturer and or Supplier – study of vehicle development
- ?? Costs to Operator – capital and ongoing costs
- ?? Cost / Benefits?

Ken Cowell

MANUFACTURERS COSTS all businesses know that costs must be met at some point, at worst they must “break even”.

All manufacturers will be under pressure. Who owns the approach or development of a PBS study? PBS should be transferable from truck to truck if operating in the same operating environment and with the same performance measures?

OPERATOR COSTS are there any government R & D grants available for such far reaching national transport system development such as PBS? Could there be any change for the GCM of rigids in urban areas? PBS must be transferable from owner to owner.

COST / BENEFITS intellectual property rights is an issue, costs to obtain PBS approvals, costs to set up national database of approved vehicles, infrastructure costs
 Improved industry efficiencies and productivity, improved safety for all road users, drivers and infrastructure over time.

Benefits

- ?? Sustainable benefits to the supplier and the operator
- ?? Intellectual property – sharing and copyright

Ian McKim

BENEFITS These cover 4 parties not 2 - the supplier, the operator, the regulator and the community. There will be a higher level of “certainty”. PBS will deliver the methods for the management of transport in the future, together with an improved level of safety as well as higher level of productivity at lower cost.

There could be a rationalisation of models that can help recoup development costs. Such consolidation could lead to more orders.

Authorities will benefit in a similar manner, more certainty, improved management method, safety, better understanding of the impact on infrastructure.

Community will benefit from improved safety standards, less damage to infrastructure for the same freight task, ease of understanding.

COPYRIGHT Some protection of the innovation or design must apply, but not in all cases. There is a need to differentiate between concept and technical work.
 Protection must not be limited only to the “big guns”.

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SPECIAL ISSUES There must be some real “**level of certainty**” for suppliers and operators protection. The question of PBS development is “who owns it” and how is any investment protected? Developers do not want to see their efforts being made freely available and applied to ALL? There must be some clarity in explaining the PBS process and benefits to the community.

Bob Woodward ?? What case studies should be undertaken to assess PBS?
 ?? When should these take place?

Case Studies

CASE STUDIES What are the objectives of conducting case studies and who has to pay? They should validate the process-the assessment and approval. How does a specific computer simulation program get validated and approved? There appears that not enough proposals are forthcoming? Some have commenced but appear never to have been followed through to completion? A Tasmanian forest producer setting vehicle height at 4m, reduction of GCW by 1 tonne and speed by 10%. This seems to contradict PBS principles? A need for State authorities to co-operate with the issue of permits for validation and trials of PBS case study vehicles.

SUGGESTIONS Develop some guidance for the resale values of PBS approved vehicles in any cost benefit analysis?
 Truck and dog trailers above 50 t
 B-Doubles over 25m in length.
 AB Triples operations.
 Trailer lengths of 53’, with parallel work of modular trailers being interchangeable in all combinations. What of a 7 axle tri-tri articulated vehicle?
 Industry must have national uniformity for the PBS scheme.

Question & Responder

QUESTIONS & PANEL DISCUSSION

M. Johnston Chair, P. Sweatman, B. Wright, L. Bruzsa, K. Cowell, I. McKimm, A. Stewart, R. Woodward, J. Edgar, D. Hogden

(Unknown Qnr) How long will the measures that have been “parked” get to be resolved? *By pulling some measures out will not delay the PBS development.*

John Edgar

John Edgar & Ken Cowell What prospect is there to obtain government funding? *Government has put up some \$2 million so far, we don’t know about any more. Government do have R & D funds and proposals should be put but there are never any guarantees.*

Simon Humpheries The industry should apply for government funding to further develop the truck and dog, the 6 axle, and the AB triple?
Isn’t the NRTC funding the truck and dog study?

Keith Mackinlay From a vehicle certification standpoint the Federal Office are extremely slow to issue approvals? Can this improve through PBS?
Fiona Calvert *The review of ADRs will likely remove “dimensions” which then does not require an ADR exemption. KMc – It does not only apply to dimensions it is about process*

Paul Freestone How will an operator apply for a PBS permit application?
Don Hogden Vic *Following the assessor’s submission the State would look at all aspects, talk to other States and the NRTC.*

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- Les Bruzsa Qld** *Sometimes States are slow to get up to do a test.*
- Peter Hogan NSW** *There are some "competition issues" NSW would look at all aspects. PBS is supported but will still be thoroughly evaluated and assessed.*
- Bob Murphy** *Bridges, pavement and road layout, no attention has been made for infrastructure issues?*
- Peter Hogan NSW** *The appraisals will take these matters into account; there will be a need for some timeline framework for applications.*
- Les Bruzsa Qld** *Queensland provides operating conditions to protect the infrastructure and maintain safety; such applications are lodged at the rate of one or two each week.*
- Don Hogden Vic** *PBS style applications are very new. SRAs are not well resourced and tend to apply existing parameters. It is premature to have a "service contract" until all the measures are finalised and in place.*
- Ian McKimm** *It must be understood that approvals from the assessors are not the only judgement applied?*
- John Edgar** *"This should not be the norm". Ministers agreed with the PBS system and the process must ensure that properly assessed and approved applications will be allowed in all States and Territories.*
- Fiona Calvert** *Agreed, if all conditions are met, then should be approved. There could be some additional community issues of routes and noise which could be an impediment.*
- Barry Degenhardt** *PBS must be a total package and it must deal with what we can do. Computer simulation? Class action? Who could be sued?*
- John Edgar** *The discussion paper starts to address these matters. The assessor will be the first responsible party. Some work has already been completed in validating computer simulation systems. Most have been carried out overseas. Some cross-checking has been done between different consultants.*
- Fiona Calvert** *People must still retain the "fit-for-purpose" obligation.*
- Bob Murphy** *Global Technical Standards - These standards have not been mentioned?*
- John Edgar** *The NRTC and its consultants have been communicating all over the world in this regard. Australia will present the PBS case to the 7th International Conference in Holland this year. The NRTC is keeping up with the Global Standards development.*

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Michael Apps
ATA

- ?? PBS is not being conducted in isolation. It fits in with many other NRTC reforms and initiatives especially the compliance and Enforcement work.
- ?? KNOWLEDGE - Clearly our industry does not have all the “answers” yet.
- ?? CURRENT FLEET PERFORMANCE? - We must remain aware of this status.
- ?? NATIONAL UNIFORMITY - The process, rules, assessors, certification, disputes and response times are all on the agenda.
- ?? ENFORCEMENT – Common and consistent enforcement will require training, ITS and a national database to monitor and manage PBS approved vehicles.
- ?? ADMINISTRATION – A clear need to have nationally uniform administration and implementation processes.
- ?? CURRENT FLEET – Industry does not want any retrospective changes to the current fleet.
- ?? COSTS – Australia’s research and development funding is not universally unique. Could Federal Government funding be sought in the “national interest”?
- ?? COPYRIGHT – Copyright and ownership is an issue in search of some resolution. There must be some common “blueprint applications”?
- ?? BENEFITS – Benefits will accrue to many operators, suppliers, road agencies and the community.
- ?? CERTAINTY – PBS must provide better scope for investment certainty.
- ?? STATE ROADS AUTHOTITIES – PBS will have a much better capacity for Seas to “sell” all the reasons to the community
- ?? CASE STUDIES - We must continue to look at the importance of the case study, the truck and dog over 50t, AB triples above 33m and the 53’ container trailer.
- ?? NRTC – The NRTC needs to validate all the benefits in some understandable way for all stakeholders. (Hopefully this is in the report)