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REPORT OF THE
COMMITTEE ON PETROLEUM TRUCK TRANSPORTATION
OF THE
NATIONAL PETROLEUM COUNCIL

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The Petroleum Truck Transportation Committee appointed by the National Petroleum Council to study the adequacy of the petroleum truck transportation facilities to meet the national defense, or other emergency, met in Chicago April 3, 1947. Eight of the twelve members were present and participated in the discussions.

The Committee submits the following report:

At the close of World War II the petroleum industry, and that branch of the for-hire trucking industry serving the petroleum industry, owned and operated approximately 105,000 tank trucks and tank trailers of all sizes and types. In addition to the tank trucks and tank trailers, the petroleum industry owned and operated approximately 17,700 conventional type trucks. Inasmuch as these last mentioned trucks do not differ in body type and construction in any substantial degree from the many thousands of trucks operated in other industries and by highway carriers of general freight (package goods and so-called dry freight) and can, therefore, be substituted one for the other, the Committee feels that no appraisal at this time of this type of transportation is necessary. The Committee therefore has confined itself to the study of the adequacy of petroleum tank truck and tank trailer transportation facilities.

Of the 105,000 tank trucks and tank trailers, the vast majority were small in capacity, and their use was restricted to purely local and rural distribution. Over 50,000 (chiefly small trucks) of the 105,000 were owned by companies or individuals who operated only 1 or 2 trucks each. The balance were in fleets of 3 or more units.

Believing that any national emergency would throw the principal burden on the larger trucks, the Committee further restricts this report to the tank trucks and tank trailers of 2,000 gallons capacity and over.

At the outset of the war the Office of Defense Transportation, after consultation with the petroleum industry, arrived at 2,000 gallons capacity as the line of demarkation between tank trucks and tank trailers used in purely local distribution and those used in over-the-road or bulk transportation. In view of the fact that the Committee is relying upon the official ODT records compiled from information shown on the certificates of war necessity, required for each truck at that time, in determining the adequacy of present facilities, the Committee also has used 2,000 gallons as the minimum size of unit which would be useful in moving a large quantity of product over a reasonable distance.

Average gallonage capacity of this type of unit in each PAW district was: District 1 - 3,320; District 2 - 3,590; District 3 - 3,421; District 4 - 3,430; District 5 - 4,630.

An analysis of the total tank truck and tank trailer census (ODT 1944) indicates that approximately 18,417 were large capacity units ranging in size from 2,000 gallons to combination units of 8,000 gallons capacity. The total carrying capacity of these units was 67,767,364 gallons. (Note 1)

A survey of the ownership of these trucks and trailers shows that 49.6% were owned by the oil industry (private carriers) and 50.4% were owned by for-hire carriers. Because of slightly larger average capacity of the units operated by the for-hire carriers, the total carrying capacity is divided, 43.3% for private carriers and 56.7% for for-hire carriers.

From a spot check necessitated by the limited time allowed, the Committee finds that the for-hire carriers had, as of January 1, 1947 increased their capacity approximately 16% over 1944; and that the private carriers had increased their capacity approximately 31% over 1944. This indicates that the total capacity as of January 1, 1947 was 83,019,710 gallons, an increase of 22.5%.

Estimates on further changes in the fleet capacity show that the private carriers expect a 67% increase over January 1, 1945 during the next 3 years; and that the for-hire carriers anticipate an increase of 26.6% for the same period. If these estimates are borne out, the total tank truck carrying capacity by 1950 should be approximately 97,697,545 gallons, an increase of 44% over January 1, 1945.

The estimated increase appears to be fairly general throughout the country, with a slightly larger increase on the Eastern Seaboard, and a smaller increase in the West Coast area.

When considering the total carrying capacity of the tank trucks and tank trailers with other forms of petroleum transportation, it is vital that full consideration be given to the turnaround time of each mode of transportation.

In making this report, the Committee wishes to point out that this particular time is a difficult period in which to measure accurately the adequacy of the present facilities. The private carriers and the for-hire carriers are still suffering from the impact of the past war.

Each is going through an extensive replacement program. This program is handicapped by existing delays in securing new trucks and trailers, and a heavy demand for transportation service. Many units already past the retirement age are being kept in service to meet this demand, and others are being used in dual service that is operating in over-the-road service during one part of the day and in local distribution during another part of the day.

(Note 1) Office of Defense Transportation "Review of Highway Transport and Transit Industries During the War", published November 30, 1945.

Sufficient replacements have been made, however, to show a marked trend toward larger units. The extent of the trend to larger equipment is influenced considerably by varying state and city laws, regulations and ordinances restricting the type of trucks and carrying capacity; and by the size of storage facilities at receiving points.

The adequacy of the present petroleum truck facilities, or the facilities that we might safely expect to have in the foreseeable future, to meet the national defense or other emergencies, can best be measured by the pattern set during the past war. Tank trucks and trailers; both private and for-hire, of the larger size discussed in the principal portion of this report, increased their deliveries from a pre-war level of 25,000,000 gallons per day to over 128,000,000 gallons per day through cooperation between Government, carriers, and shippers, and without any appreciable increase in the total number of units. It is the opinion of the Committee that the Nation's tank truckers could have attained the increased volume earlier in the war, if they had not had to overcome the various state barriers, such as different laws and regulations governing length, weight, and sizes of vehicles, and lack of full reciprocity on licenses and calibrations.

While the traffic load of tank trucks has not receded to pre-war levels, it is believed that, given a sufficient supply of rubber, replacement trucks, trailers, and parts; along with the added experience of present operators, the decided growth in the size of the individual operator, the greater number of truck loading and unloading facilities, and the more clearly defined pattern of truck operations a similar increase in volume could be moved with existing facilities.

Respectfully submitted,

/s/ Lee R. Cowles

LEE R. COWLES, Chairman
Committee on Petroleum Truck
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