

8 ▼	-0.072	-3.9%	DATVF.CHIATL	1.734 ▼	-0.073	-4%	DATVF.DALLAX	1.198 ▲	0.026	2.2%	DATVF.LAX
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Business Company earnings Driver issues News Trucking

# Truck stop/rest stop update 2: TA says diesel volumes are “elevated”; PA turnpike plazas reopened

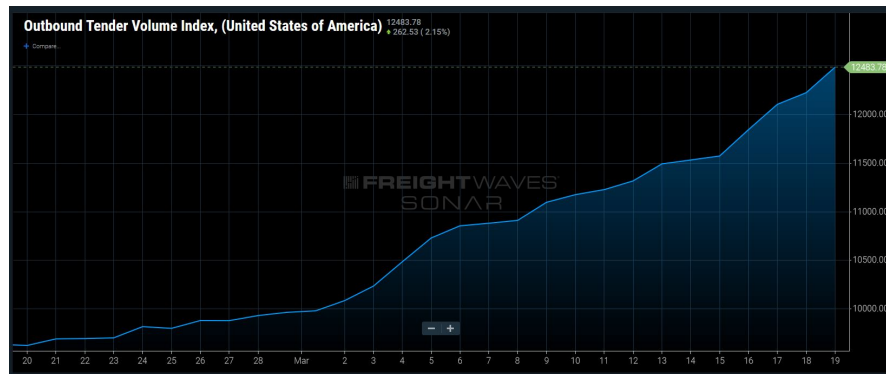
John Kingston • Friday, March 20, 2020 0 283 4 minutes read



The rush to restock America’s shelves with food, toilet paper and hand sanitizer are boosting diesel sales at TA Petro.

TA Petro is publicly traded so is required in some cases, expected in others, to disclose significant events to the company’s bottom line. In a prepared statement released Friday, March 20, TA’s managing director and CEO Jonathan Pertchik said diesel sales at the truck stop chain are “elevated year-over-year...indicating to us that the U.S. supply chain remains intact and functioning under these unprecedented circumstances.”

The statements about diesel demand ties in with data showing stronger volumes moving through the system, as evidences in the Outbound Tender Volume Index in SONAR.

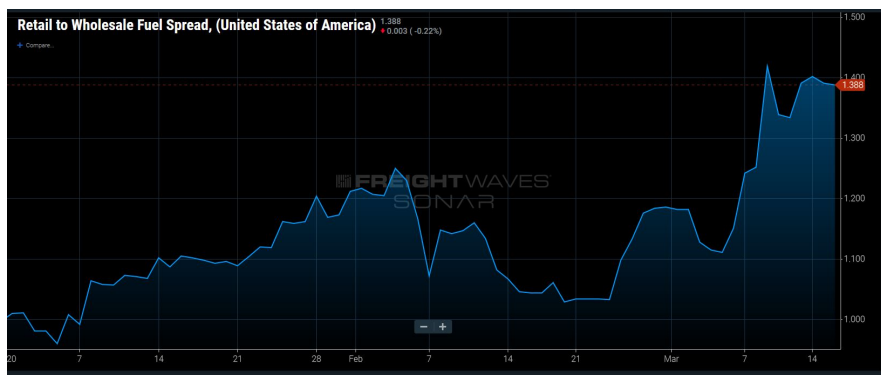


In the section of the release regarding “forward-looking statements,” TA said the increase in diesel sales this month “may not continue and may reverse, particularly if the current economic conditions further decline or fail to improve.”

The section on forward-looking statements also notes that higher volumes don’t necessarily mean better profits. After recapping the current oil price war, TA says that “even if TA’s diesel fuel sales volume increases over prior year levels, TA may not realize increased fuel revenues or fuel margins.”

However, based on the FUELS.USA data series in SONAR, retailers should be benefiting from current market conditions. The FUELS series measures the spread between the national average retail diesel price and the national average wholesale price. A company like TA would have several different ways

it pays for diesel fuel, but the size of the FUELS spread suggests that as long as that acquisition cost is somewhere in line with the average wholesale price of diesel, current margins are far and away the strongest in years.



The forward-looking statement also notes that TA may “cease to be viewed as an ‘Essential Service’ despite its attempts otherwise. “If so, TA may need to close or reduce operations at certain or all its travel centers for an indefinite period.” But the National Association of Truck Stop Owners (NATSO) recently received a letter from acting head of the Federal Motor Carrier Safety Administration Jim Mullen urging truck stops to remain open so such a loss of “essential service” designation seems highly unlikely.

In other developments Friday, the Pennsylvania Turnpike said it was reopening all 17 of its services plazas Friday. Starting on Saturday, restrooms inside the plazas will be open 24 hours.

A spokesman for the Pennsylvania Turnpike Authority said the outdoor portable toilets that had been installed when the indoor plazas were shut will remain, per the request of some truck drivers.

Not all food options inside the plaza will be available, she said, noting that “one or two” fast food options per plaza will be available for take-out service. The food options will be available 7 a.m. to 6 p.m. except at the North Midway and Valley Forge locations which will operate 24 hours.

This is a step separate from [what Pennsylvania has done closing and reopening some of its rest stops](#) on other highways. Those are barebones facilities with bathrooms and food and beverages through vending machines.

The spokeswoman said the bathrooms at the turnpike plazas had been "reconfigured" to separate people standing at sinks and urinals.

In response to questions from FreightWaves Thursday, Tiffany Neuman, a spokeswoman for NATSO, said her organization's truck stops are staying open. "They continue to report that they are serving truck drivers as they work to restock the merchandise that is quickly being sold at retail outlets as Americans stock up," she wrote. "Truckstops and travel plazas are committed to serving the professional drivers who are transporting supplies and goods in support of COVID-19 emergency relief."

But the major chains, on their respective web pages, are all listing restrictions and changes. For example, use of reusable coffee cups is discouraged. Love's stated that it is limiting the sale quantities of some items "as inventory is depleted on certain in-store merchandise."

But the biggest list is for those states and locations where food must now be provided by carry-out or delivery, as dining rooms shut because of government mandates or a decision by the chain. As TA Petro said on its web page, "Depending on the applicable government mandate, we may have to bring the food out to you."

Meanwhile, with Pennsylvania having at least partially backed off its plan to close all rest stops, the question is just what other services may be lacking for drivers on the road.

It does appear that Pennsylvania's decision to close the rest stops, retracted in part two days later, is an outlier. There are no other reports of states where state-operated rest stops have been closed, according to several agencies following such developments.

Norita Taylor, a spokeswoman for the Owner-Operator Independent Drivers Association (OOIDA), told FreightWaves in an email that her organization is

chasing down other reports of closures. "We are trying to verify all of that as best we can," she said. "In some cases, it's a matter of construction and maybe a rumor gets started because one is closed in a particular state."

Information on the OOIDA web page about various state actions taken in response to COVID-19 does not list any other rest stop closures beyond the partially retracted ones in the Keystone State.

Texas' Department of Transportation, in a statement laying out its plans to deal with COVID-19, said it had closed the lobbies of its 12 Travel Information Centers.

But it did say the outside restrooms at those facilities will remain available and be "regularly cleaned." It also said the rest areas on the state's highways remain open. "These provide important rest stops for drivers," the statement said.

Compiled by OOIDA, a list of weight restrictions waived by the states is long. Michigan is one of the states included.

As an example of the type of waiver being granted for weight restrictions, Michigan's was relatively non-specific, handed down as an executive order by Gov. Gretchen Whitmer and stating that all state and local agencies "must exercise their authority on an expedited basis to issue permits that allow non-seasonal load restrictions to be exceeded." However, it did say the permits needed to reflect bridge weight tolerances.

The reasons for the exemptions would all be tied to COVID-19 needs: delivery of medical supplies; supplies and equipment "necessary for community safety, sanitation and the prevention of community transmission of COVID-19"; food to restock shelves; and some other uses related to COVID-19 response.

Separately, NATSO [has requested a waiver on the Hours-of-Service rules for fuel deliveries](#). In her email to FreightWaves, Neuman also said NATSO had teamed with other food-service groups to ask for a waiver, submitted on Wednesday, March 18, on the type of food that beneficiaries of food stamps

through the Supplemental Nutrition Assistance Program could buy. The waiver would allow the purchase of hot prepared foods.

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