Breakthrough
a LitVenture company

How to save money while improving transportation sustainability

Shippers are strategically realigning their priorities to navigate the delicate balance between cost efficiency and sustainability. They're diligently exploring innovative opportunities to reduce emissions in a manner that's both effective and fiscally responsible.

Shippers are using two primary methods:

Cost-neutral or cost-negative

This approach involves identifying and implementing sustainability initiatives that can be achieved within existing budgets.

Allocated Sustainability Budget

These investments allow shippers to invest in initiatives based on the carbon reduction potential and are often made with a long-term perspective.

In both methods, sustainability has emerged as the tiebreaker in decision-making processes, particularly when balancing the traditional network priorities of cost, service, and capacity. **This shift underscores the growing consensus that sustainable practices are not only ethical but also pragmatic choices for the future of transportation.**

How can transportation teams save money while improving sustainability?

Navigating the complexities of identifying cost-neutral strategies for emission reduction amidst fluctuating market dynamics, mixed carrier perceptions, and emerging new technologies and incentives can seem daunting. A recommendation that was sound a year ago might be reconsidered today, following a comprehensive, multidimensional analysis. Likewise, each transportation network is unique.

Yet, simplifying this process is entirely achievable.

Here are some of the ways that transportation teams can save money while improving sustainability:

Utilizing alternative fuels

Transitioning to alternative fuels can reduce carbon emissions and enable companies to save on fuel expenses over time.

Hot Tips

- Certain alternative fuels are more prevalent and cost-effective in specific regions.
- A carrier's initial investment in the necessary infrastructure and equipment may translate into higher linehaul rates. However, drop-in fuels should not incur an additional cost because the equipment already exists.
- CNG has a more stable price than diesel because natural gas makes up a much smaller portion of the total cost.

Optimizing routes and modes

By optimizing routes and modes, transportation teams can reduce fuel consumption, vehicle miles traveled, and emissions.

Hot Tips

- Intermodal conversion is a strategic move that positively impacts transportation emissions. Shippers should consider freight costs to balance cost and sustainability benefits.
- Within a company's brand portfolio, recent acquisitions, or mergers offer numerous opportunities to optimize the routing guide. By regularly reviewing routes and the equipment used, companies can uncover significant opportunities for efficiency and cost savings.
- Unused capacity contributes to 12% of emissions, which equates to 96.3 kgCO2e of transportation emissions monthly. Load fill optimization could yield nearly $1 billion in fuel & freight savings annually.
- GLEC requires an assumption of 17% empty miles on each load. By coming in below this standard, shippers improve their emissions.

Selecting carriers by SmartWay rank

Carriers with a higher SmartWay score have demonstrated sustainability commitments and implemented strategies to improve efficiency.

Hot Tips

- Just because your carriers claim to be registered and have a specific number doesn't guarantee they've completed the necessary work. It's important to confirm your carrier's participation in SmartWay and check their ranking.
- An improvement in one SmartWay score reduces load emissions by 6% or more, meaning cumulative emissions reductions of over 30% are possible.

You can reduce emissions and costs

Shippers have opportunities in their transportation networks to make real progress toward their corporate sustainability targets. Whether they are funded by a sustainability budget or a cost-neutral or cost-negative opportunity, implementing sustainable practices can help shippers:

- **Benefit from enhanced operational efficiency**
- **Make informed decisions that align with their long-term goals**
- **Lead to a stronger corporate reputation**

But, the path toward reducing emissions and promoting sustainability in transportation requires collaboration. With the strategic alignment of the right partnerships and advanced technology, shippers can not only meet their sustainability objectives but also realize significant cost savings.

Leveraging providers like Breakthrough, who keep a pulse on the sustainable energy and freight market, can equip you with the critical insights you need and spare you countless hours of research.

The need for action is now

Shippers who prioritize sustainable practices will lead the way in strengthening their transportation networks for the future.

CleanMile is at the forefront of this transformation, offering innovative solutions that not only reduce emissions but also cut costs. Whether you're seeking to optimize your transportation routes, transition to alternative fuels, or select carriers committed to green practices, CleanMile has the expertise and technology to guide you every step of the way.

How will CleanMile work for you?

Schedule your opportunity analysis

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