THE LUMBER DAILY

Tuesday, May 5, 2026
Electric Freight Edition
Est. 2026 | Vol. 1, No. 31

MARKET PULSE | Lumber $570 | WTI $105 (+3%) | Diesel $5.35 | S&P 7,201 | 10yr 4.42%

■ TOP STORIES

Tesla Semi Enters High-Volume Production, Launches Commercial Charging Program

The first Tesla Semi rolled off a dedicated high-volume production line at Gigafactory Nevada on April 29, nine years after the original reveal. The 1.7-million-square-foot factory has a planned annual capacity of 50,000 trucks. Two trims are now in production: a standard-range model with 325 miles of range at approximately $260,000, and a long-range model rated at 500 miles for approximately $290,000. Both use a tri-motor powertrain producing 1,072 horsepower. On May 1, Tesla launched Semi Charging for Business, an online configurator allowing fleets to purchase and install their own Megacharger equipment. A two-post Megacharger station starts at $188,000; a 125-kilowatt Basecharger designed for overnight depot charging will ship in early 2027 at approximately $40,000 for a two-unit setup. Tesla has mapped 66 Megacharger locations across 15 states, including sites along Interstates 5 and 10 at Pilot Travel Centers expected online by late summer.

Boise Cascade Q1 Revenue Beats Estimates Despite 6.8% Year-Over-Year Decline

Boise Cascade reported first-quarter 2026 revenue of $1.46 billion, down 6.8% year over year but topping analyst estimates. Earnings per share came in at $0.50, down from $1.06 in the same quarter last year but easily clearing the Street consensus. Chief executive officer Jeff Strom cited "geopolitical events, volatile mortgage rates, and severe weather" as headwinds during the quarter. The company hosts its earnings call today, Tuesday May 5, at 11 a.m. Eastern. Boise Cascade operates one of the largest engineered wood products and plywood manufacturing networks in North America alongside its wholesale building-products distribution arm.

Western Forest Products Installing Thermal Modification Kiln on Vancouver Island

Western Forest Products is installing a Jartek thermal modification kiln at its British Columbia (BC) coastal operations this month. The Finnish-built chamber modifies lower-grade fiber through controlled high-temperature treatment, improving dimensional stability and decay resistance without chemical preservatives. The product targets exterior decking, siding, and cladding markets where thermally modified wood competes with Western Red Cedar (WRC) and composite alternatives. The move represents a value-addition strategy distinct from the company's ongoing dry-kiln investments at Chemainus and Duke Point, converting fiber that would otherwise move to commodity channels into a specialty product line with higher margin potential.

■ DEEP DIVE: ELECTRIC SEMI TRUCKS & LUMBER DISTRIBUTION

The Production Threshold: Tesla Semi and Competitors Now Shipping

Electric Class 8 trucks crossed from pilot programs into series production in 2025-2026. Tesla's Gigafactory Nevada line targets 50,000 units per year at scale, though analysts project 5,000 to 15,000 deliveries in the first calendar year. Freightliner's eCascadia has been in series production since 2024, with Sysco planning up to 800 units and Schneider taking delivery of 92. Volvo's VNR Electric offers 275 miles of range with 565 kilowatt-hours of battery. BYD's 8TT day cab has 200-plus units operating in the United States, assembled at a $250-million facility in Lancaster, California. Peterbilt's 579EV and Kenworth's T680E share the PACCAR ePowertrain platform at 200-plus-mile range. Nikola filed Chapter 11 bankruptcy in February 2025 and dropped to one employee; Hyroad Energy won the auction but restart status remains unclear. For wholesale lumber distributors, the relevant question is no longer whether electric semis exist but whether current range and payload serve flatbed freight profiles.

Total Cost of Ownership: Diesel's Advantage Is Collapsing

At $5.35 per gallon national average diesel and eight miles per gallon, a conventional Class 8 tractor burns $0.50 to $0.70 per mile on fuel alone. Electric trucks running at approximately 1.7 kilowatt-hours per mile and $0.12 per kilowatt-hour spend $0.15 to $0.25 per mile on energy. That $0.30 to $0.50 per mile gap compounds fast: over 100,000 miles per year, a fleet saves $30,000 to $50,000 annually per truck on energy before accounting for maintenance. The California Air Resources Board (CARB) estimates electric Class 8 trucks cost 4.7 cents per mile less to maintain than diesel equivalents. Upfront price gaps are narrowing. Section 232 tariffs (25% on Class 8 trucks and parts) have pushed new diesel tractors toward $238,000. The Tesla Semi standard range at $260,000 leaves a $22,000 gap; the eCascadia at approximately $139,000 is already below many new diesel configurations. Analysts project heavy-duty electric trucks will achieve total cost of ownership parity with diesel between 2026 and 2028, driven primarily by energy and maintenance savings.

Payload and Range: Where Lumber Loads Fit

Lumber is dense, heavy freight. A typical flatbed load of dimensional lumber runs 42,000 to 48,000 pounds. Federal gross vehicle weight limit is 80,000 pounds, with an electric vehicle exemption under 23 U.S.C. 127(s) allowing 82,000 pounds. The Tesla Semi long-range model weighs approximately 23,000 pounds. Add a standard flatbed trailer at 10,000 pounds and maximum payload is approximately 49,000 pounds at the 82,000-pound ceiling. That is workable for most dimensional and dressed lumber loads but tight for full bunks of green timbers or dense hardwood packs. The standard-range model at under 20,000 pounds offers approximately 52,000 pounds of payload, comparable to diesel. On range: most regional lumber hauls run 200 to 600 miles. The 500-mile long-range model covers Portland to Sacramento (580 miles) in a single charge under ideal conditions. Shorter distribution runs, mill to yard and yard to jobsite, fall well within the 325-mile standard-range envelope. Long-haul routes exceeding 600 miles remain diesel territory for now.

Infrastructure Gap and Regulatory Timeline

Fewer than 100 megawatt-capable public charging stations exist in the United States. The dominant deployment model in 2026 is depot charging: fleets install 150- to 400-kilowatt direct-current fast chargers at their own yards and run trucks on fixed hub-and-spoke routes. The Megawatt Charging System (MCS) standard, published by CharIN in February 2026, rates up to 3.75 megawatts and enables a 20-to-80-percent charge in 30 to 40 minutes. Grid connection upgrades take 12 to 36 months and cost hundreds of thousands of dollars, the single largest deployment bottleneck for any fleet considering the transition. On the regulatory front, CARB announced formal repeal of the Advanced Clean Fleets private-fleet and drayage-fleet purchase mandates, removing the most aggressive near-term regulatory pressure on lumber haulers. The Advanced Clean Trucks manufacturer mandate requiring 100% zero-emission vehicle sales by January 2036 remains in force. For lumber wholesalers and distributors, the practical path is regional routes with private depot charging first, corridor expansion as Megacharger networks build out over the next two to three years, and full long-haul capability arriving closer to 2030.

■ WHAT YOU MISSED YESTERDAY

Monday, May 4 — business, markets, and the broader economy.

- **Equities:** S&P 500 fell 0.41% to 7,200.75; Dow shed 557 points (-1.13%) to 48,941.90; Nasdaq slipped 0.19% to 25,067.80.
- **Catalyst:** Iran launched cruise missiles at American warships and commercial vessels near the United Arab Emirates. The U.S. military confirmed defense of all commercial ships against drones and small boats.
- **Oil & diesel:** West Texas Intermediate (WTI) crude jumped approximately 3% to $105 per barrel on Strait of Hormuz escalation. National diesel held at $5.35 per gallon (Energy Information Administration (EIA) week of April 27).
- **Rates:** 10-year Treasury yield rose to 4.42%. Freddie Mac 30-year Primary Mortgage Market Survey (PMMS) at 6.30% (April 30 print, up 7 basis points week over week).
- **Currency:** Canadian dollar at approximately 0.73 per U.S. dollar (1.37 USD/CAD), flat on the week.

■ INDUSTRY & COMPANY NEWS

- **Louisiana-Pacific Q1 reports tomorrow before market open** — consensus earnings per share $0.15 (down 88% year over year), revenue $569.9 million (down 21.3%). Oriented strand board (OSB) segment expected to post an operating loss at low-80s percent utilization. Siding Solutions revenue forecast down 12% year over year. Call at 11 a.m. Eastern Wednesday May 6.
- **Rayonier Q1 reports Wednesday after close** — consensus earnings per share $0.06 (up from a year-ago loss), call Thursday May 7 at 10 a.m. Eastern. Analysts watching $40 million run-rate synergy target and net-debt-to-EBITDA trajectory after the 2025 merger.
- **Georgia wildfire containment advances** — Highway 82 fire (Brantley County) now 85% contained at 22,471 acres. Pineland Road fire (Clinch and Echols counties) at 44% containment across 32,575 acres with 267 personnel assigned. Full control expected late May. Statewide mandatory outdoor burn ban remains through May 22.
- **New South Lumber (Canfor subsidiary) $10.5 million Mobile County Alabama expansion** — dual-path continuous dry kiln installation at a facility employing 250-plus workers. Construction started April, completion targeted June. The kiln accelerates the drying process for Southern Yellow Pine (SYP) and increases plant throughput.
- **Madison's Lumber Prices Index flat at $524 per thousand board feet** — fourth consecutive weekly print in the $522-$524 corridor (week ending May 1). Down 5% (minus $28) from the $552 level one month ago. Supply discipline from curtailments continues as the primary support; demand remains cautious heading into mid-spring.

■ MARKET & SUPPLY SNAPSHOT

INDICATOR	VALUE	TREND
CME Lumber Jun '26	$569.51/MBF	-0.6% DoD
Madison's Index (wk May 1)	$524/mfbm	Flat WoW, -5% MoM
WTI Crude (May 4)	~$105/bbl	+3% DoD (Iran)
EIA US Diesel (wk Apr 27)	$5.351/gal	Flat WoW
10-yr Treasury (May 4)	4.42%	+7bp post-FOMC trend
Freddie 30yr PMMS (Apr 30)	6.30%	+7bp WoW
CAD/USD (May 4)	~0.73	Flat WoW

■ THE BOTTOM LINE

Three things for your Tuesday: Tesla Semi production plus a $188,000 Megacharger configurator put electric freight on a concrete timeline for lumber distribution. The 500-mile range covers most regional routes, energy savings of $0.30 to $0.50 per mile offset the weight penalty, but charging infrastructure needs two to three more years to serve flatbed corridors beyond hub-and-spoke. Boise Cascade beat estimates in a quarter defined by geopolitical disruption and volatile mortgage rates. Louisiana-Pacific and Rayonier report tomorrow and Wednesday respectively, testing whether earnings compression is stabilizing across wood products or isolating at the distributor level. Georgia's pine belt firefight progresses but 32,575 acres of the Pineland Road fire remain less than half contained, with salvage-window planning building while the mandatory burn ban through May 22 compounds next-season fuel loads across the Southeast.

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