

# Fuel Cost Management, Containment & Mitigation: Retail

L I S T E N .

I N N O V A T E .

D E L I V E R .

September 14, 2006

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# Rising Costs in Fleet Fueling Expenses

## Fuel — Fleet's #1 Variable Expense

### A single light duty truck will ...

- Fill-up **96** times a year
- Consume **1,600** gallons of fuel annually
- Cost the Business Fleet \$4480 to fuel

### Rolled-up for a **1,000** vehicle fleet, that equates to ...

- **96,000** annual fuel transactions
- **1,600,000** gallons of gasoline or diesel
- More than **\$4,480,000** of expense

*A 20% swing in PPG can impact your bottom line by  
\$ 896,000, plus or minus*

Numbers based on \$2.80 per gallon

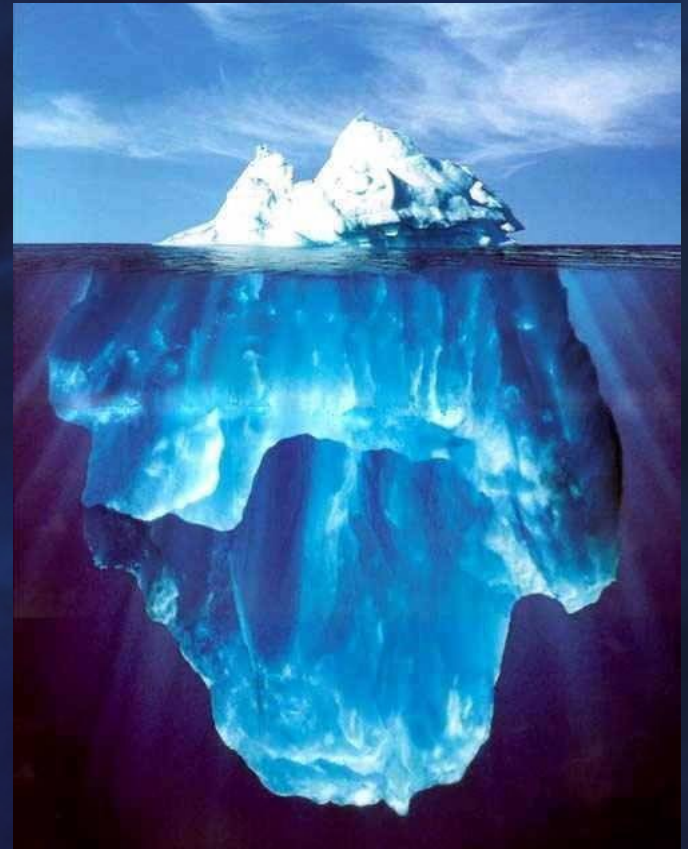


## Reduce Hidden Costs That Lurk In Daily Fuel Transactions

If 10% of gallons are for premium fuel  
**\$32,000 wasted**

If 10% include unauthorized, sundry purchases adding \$5.00 to each transaction...  
**\$48,000 wasted**

If 2% of gallons pumped into non-company vehicles...  
**\$89,000 pilfered**





# How Can Business Fleets Reduce & Control Fuel Costs?

## Purchase fuel efficient vehicles

- Every 1 mile per gallon improvement saves \$269.00 per vehicle per year at \$2.80 ppg.

Drive efficient routes and reduce mileage where possible

Properly maintain vehicles and keep tires inflated

Effect charge-backs to drivers for personal use

**Implement a Fuel Management Program and Policy**



## Six Components of a Fleet Fueling Policy

1. Enforce purchase limits at time of purchase
2. Restrict non-fuel products & services
3. Control the number & time of daily fuel transactions
4. Stipulate & monitor the desired grade of fuel
5. Evaluate fuel sites in your area offering best quality for best price
6. Encourage purchases at locations with pay-at-the-pump

***Communicate the Policy to your drivers***



## Questions to Ask... Fuel Network & Authorization Controls

**What is the number of accepting sites and who are the accepting brands in my business market?**

**What % of the accepting sites provide electronic, level III data capture at point of sale?**

**What pre-authorization controls can I establish?**

**What product restrictions can I set...fuel only, fuel & car wash?**



## **Questions to Ask... Internet Access to Data and Controls**

**Can I perform account maintenance & generate reports from a single integrated platform?**

**Can I set limits by card to control abuse?**

**Can I receive purchase alerts via email to quickly detect misuse?**

**Can I establish exception reports to identify out of Policy purchases?**

**Can I run management reports from transaction detail & summary data?**

**Is navigation intuitive...easy to learn & use?**



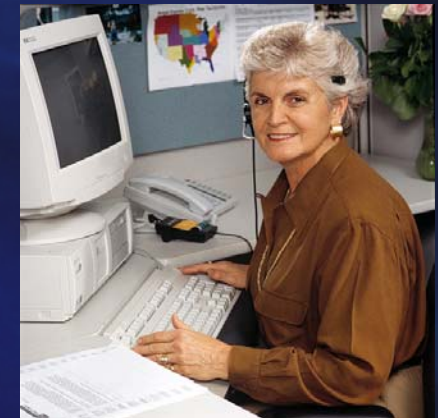
## Questions To Ask ... Customer Service Delivery

**Is customer service available 7 x 24?...**  
**Is it dedicated or part of a broader call center?**

**Who will answer my questions when I need help?**  
**Is customer service open 7x24?**

**Who intervenes on my behalf, if there is a problem at  
a fueling site, or with an oil merchant - brand?**

**Is there local representation available to me?**  
**What can they do for me?**



# Thank You...

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