

## Implementation of Fuel Purchase Optimization Systems

[Want to Save \\$100,000.00 on Fuel Purchases.... Read on...](#)

With fuel prices now equaling or exceeding driver pay as the number one cost of the trucking industry, more and more fleets have turned to fuel purchase optimization software – and finding more than they expected. Traditionally, the proclamation of savings of 3 - 9 cents per gallon (cpg) have met with mixed reviews, especially for the fleets of less than 500 units, in the trade off of the cost of implementing such systems for daily use.

With savings now being realized in excess of 20 cpg, more carriers have chosen to revisit the concept of utilizing such applications and finding that for many, the preconceived headaches were more imagination than the reality has proven. Educating the driver is a primary step in making the switch to any of these systems.

Driver compliance can be the “make or break” of implementing a fuel purchase optimization program. Driver knowledge of how and why a company is switching to such applications is necessary to achieve the highest level of compliance for these innovative systems. It does no good to know that you could have saved money if the driver does not make the necessary modifications to his or her driving habits to make the savings a reality.

[A.D. Transport Express, A Canton, MI. based provider of Truckload and Expedite services is a good example of a carrier who has battled and are winning their war on the high cost of diesel fuel.](#)

[David Konopka, Director of Quality and Fuel Controller for the 500 driver fleet stated “We have always been quite successful negotiating rates with our primary fuel suppliers. There was a time when we felt that was good enough. Our very first fuel programs allowed our drivers to choose where to fuel, so long as they purchased within our discounted network. What Hurricane Katrina made us realize was that we were leaving significant dollars on the table by operating this way. Even with the most aggressive discount program, there are variations in price from station to station and from state to state. Most tractors have 300 gallon tanks and can drive 1500 miles down the road. That gives you a lot of fueling choices and a wide range of prices.”](#)

[“Once this opportunity to save money was apparent, we began the process of seeking out a fuel optimizer. After looking at several optimizers ranging in cost from \\$3000 to 60,000.00, we opted to go with ProMiles®. I have to say that we are extremely satisfied with the software and the additional savings on our fuel bill.](#)

[Prior to implementing ProMiles in September '05, our monthly ppg averaged \\$0.10 under the OPIS averages. We are now up to \\$0.21 ppg under the OPIS average and climbing every month. Multiply that extra 0.11 cent savings each month by your total gallons and I guarantee you will be smiling right to the bank.](#)

[In so far as implementation & driver compliance, we did not encounter near the problem I thought we might have. I think by now everyone understands the high cost of fuel & the necessity for controls. I have to give a lot of credit to our driver managers for a smooth implementation.”](#)

From a technical viewpoint, the effectiveness of such applications can also be very dependent on the capability of the carrier to have negotiated their own discounts through the use of fuel networks. The ability to set these discounts in a fuel purchases optimization application is key to the overall effectiveness of the savings realized using such systems.

“The cost of software and implementation was nominal compared to the savings we are receiving. Of the optimizers we compared, ProMiles was by far the least expensive and easiest to use. Dispatchers were trained in a twenty minute session and have been carrying the ball ever since. The software is extremely simple and effective. We have now added our terminal fuel island to the software, so our own fuel island is now accrued and optimized as a truck stop. You would be surprised how many times our own fuel island will cost more than someone in our network...”

The optimizer also works well to keep the competition honest. On any given day, I can tell with a click of a mouse when another truck stop chain has better pricing than my own network. With the amount of dollars sitting on the table, I need this information to run the best fuel program possible.”

The overall surprise – and a pleasant one it can be – is the realization of savings, for even a mid sized fleet, of over **one hundred thousand dollars each year**. Add that to your bottom line and see what you think.