Six Steps to

CUTTING HIGH FUEL COSTS WITH VERIZON NETWORKFLEET

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Growing service areas, rising oil costs, poor driving behaviors – the reasons your fleet's fuel expenses may increase are many and varied. But if you find your vehicles spending too much time (and money) at the pump and not enough on the road, a wireless fleet management system may help you lower fuel costs and operate your entire fleet more efficiently. Companies utilizing a fleet management system to monitor fuel consumption, idle time, and other engine diagnostics can significantly cut their annual fuel costs. And with Verizon's Networkfleet, you can control costs even further - in virtually every area of your fleet operations – while improving vehicle performance and driver safety.

TAKING A TEAM APPROACH TO LOWERING FUEL COSTS

Fuel costs often represent one of the largest line items in an organization's budget. Fleet managers work long and hard to keep those costs in check, but unless improving fuel efficiency becomes a company-wide effort, any cost savings are likely to be minimal at best. And that's the advantage of having a GPS vehicle tracking system. It gives everyone in the organization – from managers to dispatchers to drivers in the field – the information and tools they need to help improve fuel efficiency and cut costs.

Networkfleet offers many tools and resources to help lower fuel costs, including:
- GPS tracking to monitor idling, speed, and other vehicle performance metrics that affect fuel consumption
- Automatic alerts that identify when vehicles are malfunctioning or out of compliance with established company policies
- Customizable reports, available in summary and detailed formats, that track every aspect of fuel usage over the short and long term
- Diagnostic tools and preventative maintenance alerts to help keep engines running efficiently and increase fuel performance
- Sophisticated mapping technologies to help dispatchers route drivers more efficiently and reduce overall driving distances
- Fuel Card Program with leading providers like Wright Express (WEX) to prevent unauthorized fuel purchases and fraud

Continually monitoring vehicle and driver behavior also helps to establish a culture of accountability. Employees understand what's expected of them and know they'll be held accountable for performance. Integrating such vehicle tracking system with your existing policies and guidelines for fuel usage and driver expectations can help both decrease fuel costs and improve overall fleet productivity.

SIX STEPS TO LOWER FUEL COSTS

Comprehensive fleet management systems like Networkfleet provide a wealth of data about your vehicles – but it's what you do with the data that makes the difference. The following six steps outline how you can turn fleet performance data into informed management decisions that help lower fuel costs and drive new levels of efficiency.

1. Reduce idle time

Excessive idle time is one of the leading causes of fuel waste, with heavy-duty vehicles burning up to .8 gallons of fuel per hour, and light-duty vehicles up to .5 gallons. A quality fleet management system like Networkfleet offers several tools for reducing individual vehicle and fleet idle time. These include real-time alert notifications and reports that help you understand your fleet's idling patterns and take steps to improve them. For example:

- **Idle Time Alerts.** Automatically notify managers when any vehicle in your fleet idles over a designated period of time.
- **Idle Time Alert Reports.** Provide a summary of all idle time alerts that were triggered over a given time period, helping you determine which vehicles are driving up costs through excessive idling.
- **Idle Time Reports.** Provide a big-picture overview of your fleet's idling performance – by vehicle or group of vehicles – over a designated time period. Analyzing idling trends over time makes it easy to identify potential areas for improvement.

Unnecessary idling can also damage engine components and emit more greenhouse emissions. Lowering vehicle idle time can help you save money on fuel while reducing your overall environmental footprint.

2. Reduce speeding

According to the U.S. Department of Energy, aggressive driving – including speeding – can lower highway fuel mileage by 33 percent and city mileage by five percent . Monitoring vehicle speed at all times provides the data you need to hold drivers accountable and coach them on slower, safer driving habits. Networkfleet offers comprehensive speed alert and reporting features, with multiple options and parameters to choose from:

- **Speeding Alerts.** Automatically alert managers when a vehicle exceeds a given speed. The ability to set speeding thresholds by vehicle, location, and other parameters provides flexibility in monitoring and managing driver behavior.
- **Speed Reports.** List all violations over pre-determined thresholds for a quick snapshot of frequent violators, including when and where the violations occur. Flexible reporting features make it easy to compare month-to-month results to identify strategies for improvement.

The U.S. Department of Energy also states that fuel efficiency rapidly decreases at speeds above 50 mph. Every 5 mph over 50 mph is like paying an additional $0.25 per gallon for gas . This means that driving 70 mph – a common speed on many freeways – is like adding $1 a gallon to the cost of the gas your vehicle consumes. Driving slower will save money, and it's safer, too.

3. Prevent Unauthorized Vehicle Use

Most businesses have policies to minimize unauthorized personal use of company vehicles. But when employees know they aren't being monitored, they will bend and often break the rules. You can reduce or eliminate unauthorized use by automatically tracking the location of every vehicle in your fleet, 24x7. With a telematics fleet management solution like Networkfleet, you can verify daily routes and vehicle stops, check on odd-hours movement, and monitor other driver behaviors that may indicate unauthorized personal use, such as fuel purchases at odd hours.

To help guard against unauthorized vehicle usage, Networkfleet provides several alerts and reports:

- **Odd-Hours Use and Geofence Alerts.** Automatically alert managers when vehicles are being used during preset time frames, and when vehicles enter or exit prohibited areas.
- **Geofence Violation Report.** Review summary data to determine when vehicles entered or exited an unauthorized area. Managers can use the data to remind drivers of company policies regarding personal vehicle use.
- **Begin/End-of-Day Report.** Analyze the starting and ending location of every vehicle in your fleet to identify and coach drivers who continually violate personal-use policies.

4. Improve Routing Efficiency

Improving vehicle dispatching and routing – even by a small percentage – can have a significant impact on fuel usage. A wireless vehicle tracking system lets you route more efficiently by knowing the location of your vehicles and using sophisticated mapping technologies to determine the closest drivers and most efficient routes.

For example, with its GPS tracking features, Networkfleet can automatically determine the closest vehicle to a given jobsite or any location on the map, and provide turn-by-turn directions to the selected destination. In addition, Networkfleet's CONNECT Garmin integration lets you communicate driving directions directly to the driver in the vehicle. It also features jobs management and dispatch capabilities, allowing you to schedule and organize job assignments for improved efficiency.

Lowering vehicle idle time can help you save money on fuel while reducing your overall environmental footprint.

AGGRESSIVE DRIVING INCLUDING SPEEDING CAN LOWER HIGHWAY FUEL MILEAGE BY

33 %

5. Leverage Engine Diagnostics

A well-maintained engine performs better and uses less fuel. A wireless fleet management system with engine diagnostic features can help keep your engines running efficiently. With Networkfleet, you can:

- **Monitor diagnostic trouble codes.** Advance warning of engine trouble lets you fix small problems before they become big ones.
- **Monitor idle time, speed, and fuel usage.** Engine alerts and reports help identify areas to improve fuel efficiency.
- **Receive regular odometer alerts.** Keep engines in top shape by performing preventive maintenance on time.
- **Continuously track emission levels.** Monitor excessive emissions to identify possible engine problems that can lower fuel efficiency.

6. Verify Fuel Expenditures

Unauthorized fuel purchases represent another source of "leakage" in the fuel expense category. A GPS vehicle tracking system offers two types of tools to track and verify fuel purchases and prevent fraud.

- **Fuel Cards.** Make it easy to track the time, location and amount of all fleet fuel purchases. For example, Networkfleet teams with WEX, a leading provider of fuel cards, to help fleet managers gain more control over their fuel costs.
- **Fuel Usage Reports.** Help verify fuel purchases with driver reports by showing detailed information regarding all fuel transactions.

Networkfleet offers two fuel usage reports. The Fuel Transaction Report shows all fuel purchase details including location, gallons, and total cost. The Fuel Guard Report compares the location and time of the purchase with the vehicle location, to identify potential fraud events. Both give you greater control over individual fuel purchases and overall fleet spending patterns.

FUEL FOR THOUGHT

Ultimately, lowering fuel costs is all about changing the behavior of your managers and drivers. With Networkfleet you can:

- Create a culture of cost savings by educating drivers about the importance of lowering fuel consumption
- Streamline the fuel purchasing and accounting process and reduce paperwork
- Coach drivers to reduce idle time and drive slower
- Prevent unauthorized vehicle use and fuel purchases
- Reduce total miles driven through more efficient routing and dispatching
- Keep engines running efficiently through timely preventive maintenance
- Use fuel cards to gain control over fleet fuel purchases

We've already noted that companies using a telematics fleet management solution can significantly reduce fuel costs. However, when used in conjunction with a company's internal policies and oversight, Networkfleet's powerful GPS and engine diagnostic technologies enable our customers to achieve even more fuel savings. And these aren't just one-time reductions in fuel costs – they represent annual savings that add more dollars to your bottom line year after year.

To learn more about how Networkfleet can help bring your fuel costs down, please refer to the Contact Us information listed.

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[1,2] *U.S. Department of Energy: Driving More Efficiently;* **www.fueleconomy.gov/feg/driveHabits.shtml**