Ten Ways to Cut Fuel Costs

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Remember the good old days...about a year and a half ago? Prices at the pumps were hovering below one dollar per litre and they stayed the same for weeks. Well the good old days are gone forever and today we live in a world where fuel prices seem to go up by the hour. Now pundits speculate on living with oil prices running up to \$200 US per barrel.

As consumers many of us have adjusted our lifestyles. We try to drive less. Some have chosen to car pool, while others get rid of their gas-guzzlers and opt for more fuel-efficient vehicles including hybrids.

For companies, the good old days meant fuel up and go. Little attention was paid to managing fuel. But in the past year the price of oil has doubled cutting deeper than ever into profits causing owners and managers to adopt a new fuel consciousness. Fuel Management is a necessity.

You can't control the price of fuel, but you can control your fuel consumption. The answer is Fuel Management.

Any company can improve their fuel efficiencies. It takes work and commitment from the head office to your people on the road and at the job sites. More and more companies are making changes in their operating practices to cut costs now and to be prepared for even higher costs in the future.

To help you adjust, here are ten ways to cut fuel costs:

- 1. <u>Train and educate your drivers</u>: It starts with the people who have their foot on the gas pedal. Your drivers can control fuel consumption each time they fire up their engines, and proper training can improve fuel efficiency, economy and emissions. Hard acceleration, speeding and idling are the biggest causes of fuel waste. Initiate a training course for drivers and reward participation.
- 2. <u>Decrease Idling</u>: Be aware of the time engines idle. No longer can we leave machinery and equipment running all day long. Stop your engines! Excessive idling adds to your fuel costs by as much as 50% and can shorten the life of engine oil by 75%, adding more costs. Initiate a campaign to reduce idling time and reward participants. Allowing an engine to idle more than 3 minutes causes expensive damage which harms efficiency, shortens engine life and increases maintenance costs. It all adds up.

- 3. <u>Start off slower</u>: This is another lesson your drivers must be taught. Jackrabbit starts waste fuel and save less than 3 minutes per hour driving, but can result in using 40% more fuel and increase toxic emissions by 400%! What's the rush? Ease up on the gas pedal and your efficiencies will improve.
- 4. <u>Slow down:</u> Speeding is dangerous, it wastes fuel and creates higher levels of toxic emissions. Speeds over 100 km/hour drastically impact fuel efficiencies cars travelling at 120 km/hour use 20% more fuel. Trucks travelling at 120 km/hour use 50% more fuel and they also emit 100% more carbon monoxide, 50% more hydrocarbons and 31% more nitrogen oxides.
- 5. <u>Lose Weight</u>: Excess weight places unnecessary strain on your vehicle's engine and greatly affects its fuel efficiency. By removing as little as 100 pounds you can significantly improve your gas mileage. Check each vehicle and pitch out that unnecessary weight!
- 6. <u>Use a Fuel Management System:</u> This is the most powerful way to lower fuel costs and increase productivity. Available systems range from basic onsite refueling (which saves up to 20 minutes in wasted time and fuel each day, per vehicle) to automated fuel tracking (which details every litre pumped into every vehicle by date, time, quantity and fuel type) to telematics (which measures overall fuel efficiency, vehicle performance, tracks fuel waste due to idling, speeding, etc. and identifies critical areas to improve efficiency and reduce fuel costs and emissions.) The technology exists so you can become a Fuel Manager and stay on top of your fuel consumption, one vehicle at a time. It can work for you.
- 7. <u>Upgrade your Fleet:</u> Whenever possible, invest in modern, fuel-efficient vehicles. Modern diesel engines are far more fuel-efficient and perform better with modern diesel fuels such as ultra low sulfur diesel and biodiesel. Though it may seem expensive, new diesel vehicles can save thousands of dollars in maintenance, fuel and productivity per vehicle. Measure each piece of equipment for fuel efficiency and get rid of the bad ones! Replace and upgrade your equipment regularly. It may hurt now but it will pay you back.
- 8. <u>Tune-up vehicles regularly</u>: Do you have a stringent, well-managed maintenance policy? Many companies "fix it when it breaks." This attitude costs too much in wasted fuel. A well maintained vehicle performs better, improves fuel efficiency, reduces toxic emissions and, in the long run, will cost less to maintain.
- 9. <u>Pump it up</u>: Proper tire inflation improves gas mileage. At 4Refuel our statistics show improperly inflated tires can cost up to 2 weeks worth of fuel per year! How big is your fleet? Two weeks per year per vehicle adds up to thousands of dollars in lost profits! In addition proper inflation results in improved vehicle and braking performance, and increases tire life.

10. <u>Implement Advanced Mobile Asset Management Technology</u>: Wow, that's a mouth full! You can measure and manage your fleet better when you have the right information. Tracking miles traveled, average speed and engine efficiency is critical to cutting fuel costs. This information will help your drivers and managers optimize routes with better planning. Mapping software and GPS will eliminate thousands of unnecessary miles per week. Less time on the road means less fuel consumed, less wear on vehicles, decreased expenditures and overall increased productivity, plus lower toxic emissions!

Once you have made a total commitment to managing your fuel better and changing some of your bad fuel habits, results will follow. Stick with it. Fuel prices are only going up.

(4Refuel is one of North America's fastest growing fuel logistics companies. For more information, phone (604) 513-0386 or e-mail askthefuelexpert@4refuel.com.)