

# HOW TO FIND OUT FOR SURE IF YOU'RE OVERPAYING FOR FUEL

AND WHAT YOU CAN DO ABOUT IT

    
PROPANE | DIESEL | GAS  
**MANAGEMENT**



Your company has worked hard to implement the right fuel program. You've negotiated discounts with retail chains and set up a few bulk and mobile fueling deals. Your fuel card company is giving you a rebate. Fuel prices are high, but you've done everything possible to minimize costs... right?

Let's take a closer look to find out for sure.

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fuel management

# MANAGEMENT

## 3 Critical Areas Must Be Scrutinized To Keep Fuel Costs Under Control.



### Local Fuel Data

A successful fuel purchase and auditing system begins with reliable, current data. Fuel price data is available through Oil Price Information Service (OPIS), Data Transmission Network (DTN), and local publishers of daily diesel fuel prices. National fuel pricing is available through the New York Mercantile Exchange (NYMEX), Department of Energy (DOE), and Automobile Club (AAA).

While national services offer a big-picture view of fuel prices, they don't show price differences from one area to another. Local indices provide more accurate fueling price data. Subscriptions to the right fuel price services are essential to a



successful fuel management program, while an independent review by a fuel management consulting company will provide clarity on the effectiveness of your program.



### Vendor Margins

The basic data required for a fuel program review is price per gallon for each fueling method (mobile, fuel card, bulk fuel, etc.). Federal, state, county, and local taxes, which are available through a fuel tax guide, are then subtracted from the price per gallon. This calculation, however, only provides you with fueling costs, which is comprised of the cost of fuel itself and vendor-charged margin.

To determine the vendor margin, compare fuel transaction costs with same-day OPIS or DTN pricing for the relevant geographic area. Fleet managers can monitor fuel margin numbers to see if they match negotiated fuel price agreements. If there's a discrepancy, it's time to investigate.



### Duplicate Transactions

When hundreds of thousands of fueling transactions are processed in real-time each day, mistakes happen. If invoices are not monitored carefully, your fleet manager can miss duplicate transactions. To make matters worse, the fuel card provider might not catch the mistakes and could be responsible for them! Also, bulk and mobile transactions often involve manual data entry. One small error entering various taxes, fees, and fuel surcharges can create an issue that will compound until discovered and corrected.

Regular monitoring of fueling transactions will give you a better feel for monthly volume and transactions. If one or both are higher than normal, randomly sample at least 25% of your monthly fuel invoices and review those transactions. This will enable you to detect duplicates and fix the errors.

### Free Fuel Analysis

Fuel management is a complex, resource-intensive discipline that requires extensive experience and ongoing monitoring. Most companies simply don't have the bandwidth, data, tools, and industry expertise to create and continuously optimize their fuel programs. But there are no shortcuts. The level of planning and analysis outlined here is the only way to know for sure if you're overpaying for fuel.

Don't let the hard work you've put into your fuel program go to waste. Let us help you close the loop and save money on fuel. Schedule a free fuel analysis that includes:

- ✓ **Expert review of your fuel program and suggestions for maximizing savings.**
- ✓ **Full visibility into where your drivers are fueling on a monthly basis.**
- ✓ **15-minute call with our fuel experts to uncover opportunities for savings.**
- ✓ **Suggestions and tools to help change driver behavior and achieve savings.**



**GET FUEL ANALYSIS**



For your free analysis, contact Conor Proud, Sokolis Group VP of Business Development, at [cproud@sokolisgroup.com](mailto:cproud@sokolisgroup.com) or **267-482-6159**.

**We save our clients money on diesel fuel costs, guaranteed!**