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Abstract

Title: Applying the latest Technology and Business methods to Improve Delivery Operations at LPGas marketers.

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Background: Between 1999 and 2002 a business analysis was conducted by The Fuel Web, Inc. (Battle Ground, Washington) to determine if a significant operational cost savings were available to LP Gas marketers by automating the management of the LP Gas deliveries with modern business tools and methods. The research involved conducting a business process analysis over a two year period in partnership with two LP Gas Marketers located in the western United States. The objective was to see where the impact of using new technologies and business processes would provide a significant improvement in operating efficiencies, improved customer service and streamlined back office processes. The results of the study concluded that a properly implemented integration of the Internet, tank monitoring, advanced forecasting, modern scheduling and routing methods as well as mobile computer systems could provide a very significant positive impact on the bottom line and a significant streamlining of overall operations. Based on this, a new business platform has been developed by the Fuel Web, Inc. and is being used successfully by many propane marketers around the country.

Objective: To provide dramatic gains in operating efficiency, competitive position and customer satisfaction by integrating modern business tools and methods into a new business platform for the LP Gas Marketer.

Modern business tools and methods developed for the LP Gas Marketer:

- Internet based business platform, requiring only a PC with a Internet connection.
- The low cost "intelligent" LP Gas tank monitor.
- Deployment system to manage installing tank monitors at all customers.
- System for monitoring and maintaining many thousands of deployed tank monitors.
- Advanced statistical modeling of customer fuel usage relative to weather and user patterns.
- Real time forecasting of future customer usage based on historical patterns, real time statistical modeling and real time weather forecast.
- Real time 90 day delivery queue that shows future product demand, delivery load, routed and mapped truck schedules.
- A mobile computer application using off the shelf handheld computers with real time synchronization of orders, completed delivery transactions, two way messaging and GPS tracking on to live mapping of delivery operations.
- Integration with the propane marketers commercial Web portal for end user access to account information, delivery schedules, order and payment processing.

Results: The Fuel Web has been awarded contracts since 2004 to supply a completely new business platform to LP Gas marketers in various geographic regions throughout North America. These projects are ongoing with tens of thousands tank monitors installed and hundreds of users.