



Case Study Fleet Check Audit Palms Direct Ltd



Keeping thousands of live plants fed, watered and looking great in offices around Auckland is all in a days' work for the team at Palms Direct.

Having a natural product, sustainability is a vital part of the Palms Direct business model. They wanted to measure and improve the efficiency of their vehicle fleet and make fuel savings, so they turned to GreenFleet.

Key features:

- *Closer monitoring of fuel use will result in annual fuel savings of around 12% and reduction of CO₂ emissions by 4 tonnes.*
- *Other measures including improving line maintenance like regular tyre pressure checks will result in 4% fuel savings.*

Background

Palms Direct is a plant hire, sales and landscaping business that delivers fresh and innovative plant solutions for office, hotel, restaurant and retail environments. They also specialise in providing plants for events.

The Challenge

The Palms Direct fleet consists of 2 delivery vans and a light vehicle to support sales and service operations.

Service vans visit customers' sites around the Auckland region to maintain plants and deliver new ones. Consequently, driving is mostly to urban locations, often with heavy loads.

Their key needs are:

- Sufficient capacity, height and engine power to carry plants.
- Vehicles that are safe, reliable and fuel efficient.

Fuel costs in 2008 were \$10,400 with the fleet consuming 7413 litres of fuel, and each vehicle travelled, on average 27,500km per year.

An individual Fleet Check was conducted that determined opportunities to:

- Reduce the amount of fuel used in the fleet.
- Reduce CO₂ emissions related to the fleet.

Specific opportunities to improve fuel economy are divided into three types:

- Operational changes that can be completed with little investment or cost.
- Long-term investment targets that can be implemented as the fleet is renewed.
- Housekeeping measures that can be implemented with little direct cost that will provide less measurable benefits.

The Opportunities.

Palms Direct drivers use fuel cards to fill their vehicles, which provided accurate fuel use figures. Odometer readings are not taken at fill-up, so readings taken at Warrant of Fitness time have been used to indicate fuel economy.

This made it relatively easy to get a picture of the current fuel economy of the fleet. This data was used to produce a table of the vehicle performance and to set a target for the remaining drivers.

It became apparent that the vehicles had great potential to improve their performance against published fuel economy ratings.



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Key Recommendations

The audit made 6 key recommendations.

1. Bring vehicle fuel economy closer in line with published benchmarks.

Measures to improve fuel economy of the existing vehicles would result in a saving of 1620 litres of fuel, and around \$2900 annually.

2. Increase utilisation of vehicles.

Switching more mileage to the smaller and more fuel efficient of the two vans means significant savings in three areas:

- 2300 litres of fuel per year
- \$2300 in fuel costs per vehicle/year
- 5800kg of CO₂ per vehicle/year

3. Better fuel invoice monitoring.

Requiring drivers to provide odometer readings at fill-up will help maintain up-to-date, regular measurement of fuel economy.

4. Reporting of fuel use and economy to drivers.

A survey of the drivers indicated they would like to be informed of their fuel use and economy. This encourages them to be mindful of their driving habits.

5. Provide training for sustainable driving.

This should include implementation of EECA's 7 Habits of Fuel Efficient Drivers:

1. Avoid unnecessary driving.
2. Drive with a smile – go easy on the pedal.
3. Remember your maintenance obligations.
4. Keep vehicle loads to a minimum.
5. Turn off the extras like air conditioning.
6. Switch off the engine if idling more than 30 seconds.
7. Choose the right vehicle for the job.

6. Initiate regular (fortnightly) tyre pressure checks.

Improving average tyre inflation to closer to recommended pressures would improve fuel economy by 3%, saving \$312.00 (222 litres) annually. This will also result in safety benefits. Correctly inflated tyres corner and stop more effectively, and lengthen tyre lifespan.

Outcomes and benefits

At the end of the Fleet Check Audit, Palms Direct has switched fuel supplier to allow for better reporting of fuel performance of the fleet.

Drivers are required to provide odometer readings at fill up and are now regularly informed on how their vans are performing. Drivers are also required to check tyre pressures at regular intervals.



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