



Fuel Update – Denver, Fleet Cards



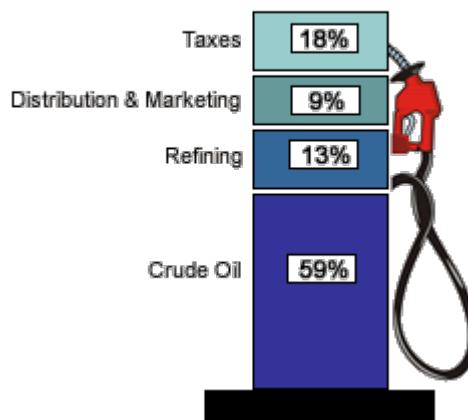
4/19/18

WE HAVE THREE REFUELING OPTIONS

1. FUEL CARD AT GAS STATION



2. MOBILE FUEL TRUCKS



- Productivity loss during trips to branch and gas station
- Nearest gas station is 2 miles away ≈ 15¢ more expensive than area average

3. ABOVEGROUND FUEL TANK



- Bulk savings 25¢-30¢ per gallon below retail
- Convenience
- Easy to track

WHAT IS THE REAL COST PER GALLON WHEN FACTORING IN LOSS OF PRODUCTIVITY FROM TRIPS TO GAS STATION?

MEDIAN GAL. PER FILL-UP:

7.62

ANNUAL FUEL CONSUMPTION:

132,000

FUEL TIME SAVINGS

4,330 HOURS

Assumes extra 15 minutes per trip

\$87k

LABOR SAVINGS

\$51,968

Assumes a \$12/hour labor cost

BULK FUEL SAVINGS

\$35,640

Assumes additional \$0.27 discount



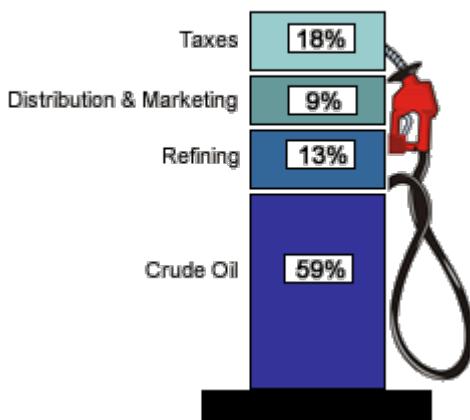
7.62 Gallons – Median units per transaction (2017)
27¢ per gallon discount based on quotes for 8,500 gal loads

WE HAVE THREE REFUELING OPTIONS

1. FUEL CARD AT GAS STATION



2. MOBILE FUEL TRUCKS



- Productivity loss during trips to branch and gas station
- Nearest gas station is 2 miles away $\approx 15\text{¢}$ more expensive than area average

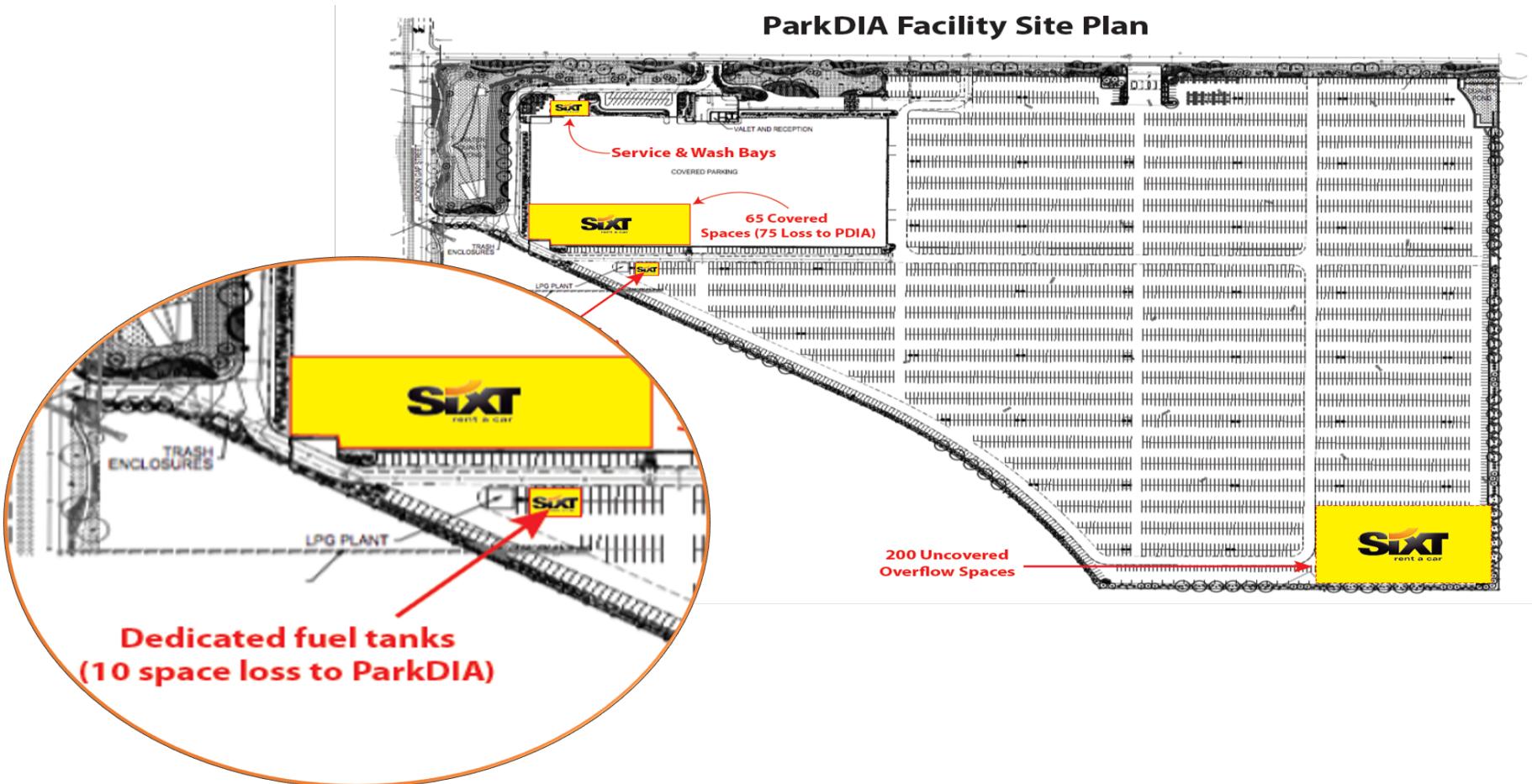
3. ABOVEGROUND FUEL TANK



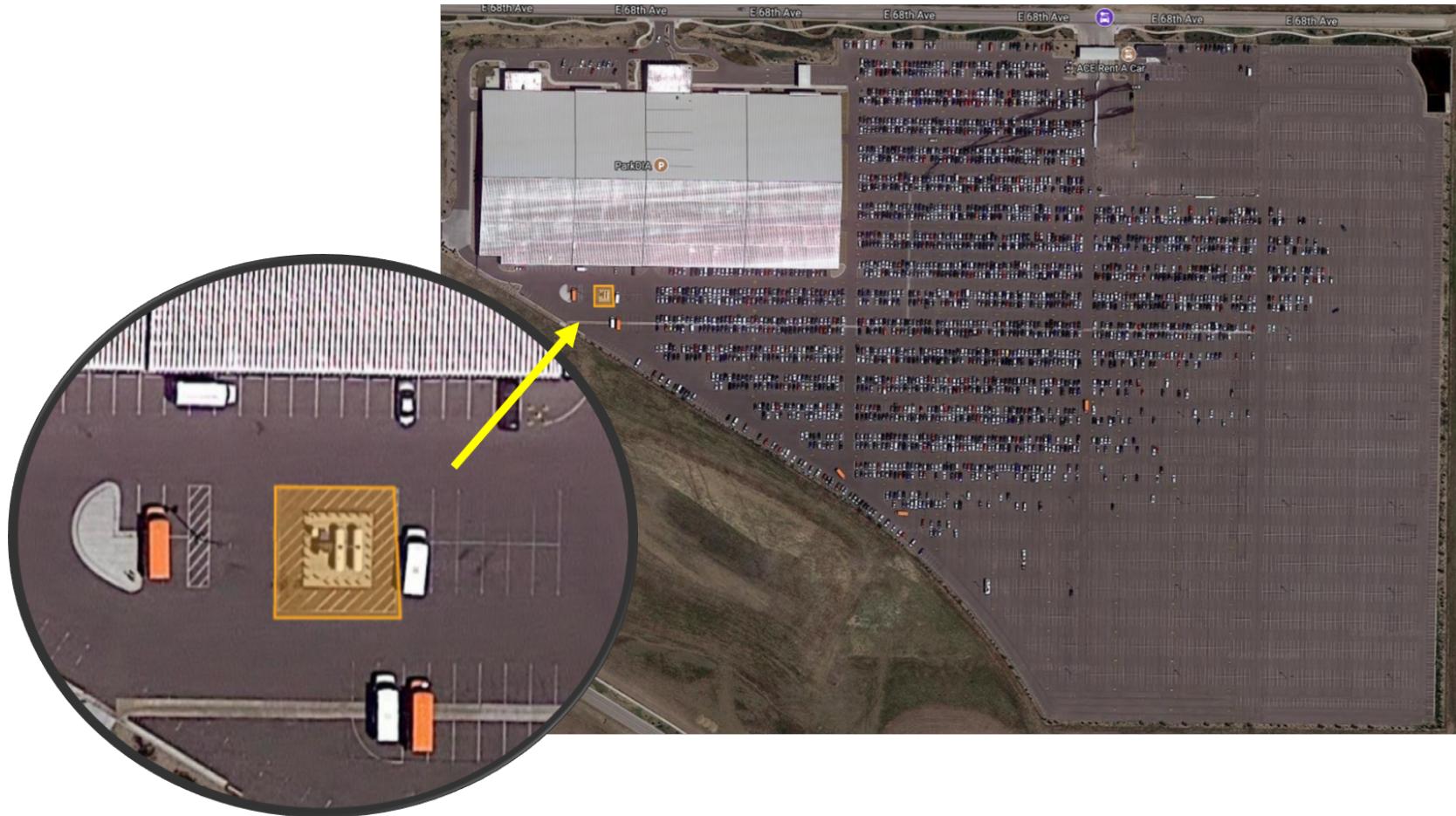
- $\approx 25\text{¢}$ markup on retail
- Inconsistent and difficult to monitor

- Bulk savings 25¢-30¢ per gallon below retail
- Convenience
- Easy to track

DENVER LEASE AGREEMENT ALLOWS SIXT TO INSTALL AN ON-SITE ABOVEGROUND FUEL TANK (AST)



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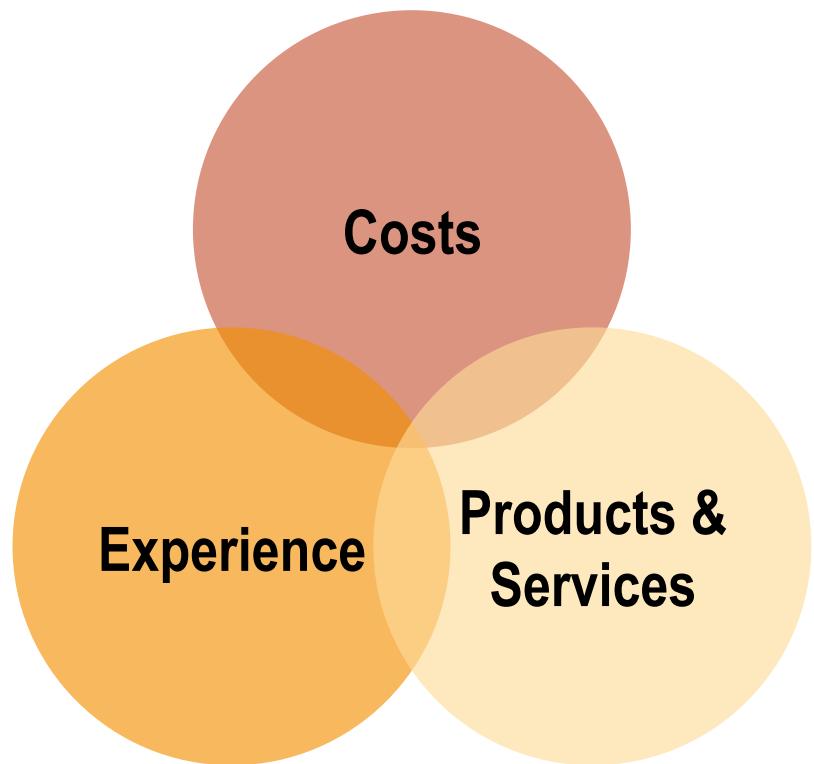


PROCESS OF ELIMINATION BEGAN WITH LONG LIST OF OPTIONS



VENDORS WERE EVALUATED USING A STANDARD CRITERIA

FACTORS



EVALUATION CRITERIA

- Costs
- Products and Services
 - Tanks
 - Installation
 - Fuel Dispensing
 - Fuel
 - Compliance and Permitting
- Experience
 - Size – Revenue
 - Relevant Experience
 - Familiarity with jurisdiction
 - Can service to other Sixt locations

EVENTUALLY NARROWED DOWN TO TWO OPTIONS



EATON SALES & SERVICE IS A LOCAL COMPANY THAT PROVIDES STATE CERTIFICATIONS AND LICENSING

PRODUCTS & SERVICES

- Full service installation – Engineering, Concrete Pad and Electrical
- Includes compliance / permits
- 12,000 gallon “Fireguard” UL2085 tank

EXPERIENCE

- Founded 2004, Revenue \$22.9 million
- Experience with rental car cos. – Recently installed 10k gal. AST at DIA for Fox RAC
- 9 sales & service locations throughout the rocky mountain and southwest region

COSTS

- Proposal Total: \$164,210
- Turnkey project: Eaton to Sixt

INDIGO ENERGY IS WHOLESALE FUEL DISTRIBUTOR WITH NATIONWIDE LOGISTICS CAPABILITIES

PRODUCTS & SERVICES

- Full service installation – Includes compliance / permits
- Fuel provider, temporary tanks
- An aggregator of products and services, rather than a full service provider

EXPERIENCE

- Founded 2000, Revenue \$55.5 million
- Nationwide logistics capabilities with fuel access in 46 states across the U.S.
- Potential to use for branches nationwide

COSTS

- Proposal Total for AST: \$106,800
- Temporary tanks: \$350 for drop off / pick up, tanks provided at no cost
- Fueling options: Cost + .0125/gallon OR OPIS Contract Average for 87E10 + .0390/gallon

RECOMENDATION: INDIGO ENERGY

- ✓ Price
- ✓ Nationwide presence
- ✓ Well established company
- ✓ Turnkey solution – AST, fueling, temporary tanks



WE USE EXXONMOBIL FLEET CARDS FOR ALL OFF-SITE RETAIL FUEL PURCHASES

Initial situation

- Rebate of \$0.06 per gallon on ExxonMobil brand fuel
- No bulk discounts
- Only 20% of fuel card gallons are eligible for rebate

Total Spending:	\$3.56 Mil
Total Fuel Consumption:	159,525 Gal
Total Rebates:	\$13,085
Actual Rebate Per Gallon	1.2¢

Recommended action

- Rebate of \$0.12 per gallon on ExxonMobil fuel
- \$2,500 signing bonus (5-year contract)
- Base points on all fuel purchases
 - 75k gallons → 55bps
 - 100k gallons → 60bps
 - 125k gallons → 65bps
 - 93k+ gal. (Mar '18) → Additional \$1,498
- Negotiate added rebates at the local level
- Early pay added rebates
 - Tri-monthly 15bps (Mar '18 → Additional \$463)