

August 2007

Special points of interest:

- "The Web-Based system, which utilizes remote tank monitors and off-the-shelf personal data assistants (PDA's), GPS, and cellular network devices, automates delivery forecasting and routing and allows personnel to accurately forecast customer usage up to 180 days."
- "Due to the effectiveness of this system we were able to avoid purchasing two bobtails, and our average drop increased by about 30%."
- "The automated scheduling produces efficiencies that result in fewer trips and larger fuel drops using fewer resources."

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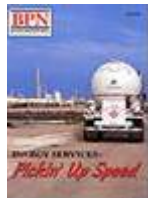
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The Fuel Web, Inc.

The Fuel Web's e-Fuel Solution Advances Delivery Operations

An excerpt from the April 2007 Issue of Butane Propane News...



Propane Marketers are looking for a solution to optimize profit margins and streamline operations associated with fuel delivery management. To accomplish that they have to maximize their drops in as few trips as possible.

Battle Ground, Wash.-based The Fuel Web maintains its *e-Fuel* Delivery Management is the answer.

The Web-Based system, which utilizes remote tank monitors and off-the-shelf personal data assistants (PDA's), GPS, and cellular network devices, automates delivery forecasting and routing and allows personnel to accurately forecast customer usage up to 180 days. Data is transferred over traditional analog phone lines. The result, says The Fuel Web, are significant efficiency gains in the delivery management of fuel using the latest technology and business methods available.

Tom Walker founded The Fuel Web and serves as President and Director of Engineering. John Vollen serves as Vice President and Director of Sales and Marketing.

Vollen describes e-Fuel as a fully integrated suite that provides one solution for fuel delivery. "We automate everything that personnel currently touch" he notes. "The result is you get more valid data, and you make better decisions regarding when and how to deliver." Deliveries can be scheduled up to 90 days out.

Under development for the last 5 years, *e-Fuel* was publically introduced to the propane industry at the World Forum in Chicago last October, where Vollen and Walker presented their white paper "Applying the Latest Technology And Business Methods to Improve Delivery Operations at LP Gas Marketers." The system has been in operation at marketer locations across North America for several years. The company will be exhibiting at this years National Propane Gas Association Southeastern Convention and Expo in Atlanta.

The Fuel Web manufactures its own tank monitors because it could find none that could provide the required data, status alerts, and low cost needed to meet marketers' business requirements," Vollen says. The units primary

power source is solar, with a super-capacitor that is charged by the solar cell. The remote monitor can run off a fully-charged super capacitor for about two days. As back-up, the units are equipped with a lithium battery with a 10 year shelf life. However, the battery is only infrequently engaged unless there is an interruption of sunlight, perhaps by the blanketing of snow, at which time the marketer is alerted via the Internet. Displays generated over the Internet include float level, time, inside and outside temperature, an installation diagnostic codes for infield troubleshooting. Hall Effect sensors in the Data Module monitor the fuel level. The Fuel Web completes all back office integration at the marketer location itself.

With *e-Fuel*, Deliveries are forecast for all customers, both with monitored and non-monitored tanks. The forecast function is automated, and no manual input is required. The system also generated graphical mapping and routing for each bobtail showing where deliveries have been made and who remains to receive a delivery.

One marketer who is enthusiastic about The Fuel Web's *e-Fuel* is Jeff Stewart, Vice President of Blue Star Gas (Santa Rosa, Calif.), which operates from several locations in Northern California and Southern Oregon. "It's no secret we had an incredibly cold winter in our service areas this winter," Stewart says. "Due to the effectiveness of this system we were able to avoid purchasing two bobtails, and our average drop increased by about 30%. If you had said to me we would be delivering the number of gallons that we did during January with the equipment we had on hand, I would have said it was a tremendous stretch. And while we had overtime, it was much less than if we had not had the system."

Stewart has installed The Fuel Web's remote tank monitors at 6800 of his customer locations so far. All drivers in his 23-bobtail fleet are utilizing off-the-shelf PDA's to record delivery information and payment method used. GPS tracking has been installed in six bobtails. He adds that his goal is to get 80% of his customers equipped with remote tank monitors.

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The propane industries use of the traditional Degree Day method to determine a customers K-Factor (the number of Degree Days it takes for a customer to burn one gallon of fuel) was developed in the 1950's by the petrochemical industry and was considered by Kamps Propane an outdated process taking into account today's advances in technology and available business processes. For Kamps Propane to meet its aggressive growth goals and continue to increase profitability and revenue, these inefficient processes needed to be replaced.

To get the complete version of this Case Study please visit: www.thefuelweb.com/documents.htm.

Case Study: Kamps Propane #15 Retail Operation (condensed version)

Customer Success Story

Company:

Kamps Propane is one of California's leading independent energy companies with 150 employees, retail offices in 10 locations throughout California and a wholesale business supplying propane to dealers in (8) western states.

Location:

Manteca, California

Industry:

Propane Distribution

Problem:

Kamps existing fuel delivery processes were outdated resulting in fuel delivery inefficiencies that negatively impacted retail branch profitability, revenue and growth.

Solution:

Kamps chose to test full deployment of The Fuel Web's *e-Fuel* Delivery Management business platform at their #15 retail operation, anticipating 5 key benefits:

- Decrease out of gas calls.
- Decrease non-delivery stops.
- Increase fuel delivered with each stop.
- Increase the number of daily deliveries.
- Decrease after hours deliveries.



Problem

Kamps Propane is one of the most successful energy supply companies in the Western United States, delivering liquid propane gas to residential, recreational, commercial and agricultural customers throughout the State of California.

After an in depth analysis of its business processes, Kamps Propane uncovered numerous inefficient processes that were in place at their retail operations. The most costly of the inefficient processes involved the accurate forecasting of a customer's usage of propane. In particular, their ability to accurately determine a customer's usage during seasonal transitions (Fall to Winter / Winter to Spring) and after new customer installations. Using their existing Degree Day process, it was nearly impossible to accurately determine a customer's

usage of propane under these scenarios and therefore caused costly inefficiencies in the delivery management of propane at all Kamps Propane retail operations.

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Solution

Kamps Propane determined that by automating its retail operations using a new business platform that replaced the inefficient processes with modern technology and business process methods provided by The Fuel Web (TFW), retail operations could automate and optimize fuel deliveries for each customer.

The decision was made to fully deploy the *e-Fuel* solution at the Kamps Propane #15 retail operation. The process involved the planning and implementation of:

- ***Integration*** of TFW *e-Fuel* Delivery Management and Kamps accounting database systems.
- ***Training*** of Kamps branch staff on tank monitor installation processes and use of the *e-Fuel* Web-based Delivery Management System.
- ***Installation*** by branch personnel of The Fuel Web tank monitors on all 2,800 of Kamps routed customers.

The Benefit:

The benefit for #15 retail operation was the near elimination of after hours and weekend deliveries and an additional 387,000 gallons of propane delivered to customers without the need for additional vehicles or personnel.

The Result:

| | |
|--|-----|
| Decrease in out-of-gas calls: | 96% |
| Decrease in non-delivery stops: | 90% |
| Increase in fuel delivered with each stop: | 18% |
| Increase in daily deliveries: | 15% |

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e-Fuel Data Module on a tank



e-Fuel Gateway in a home



e-Fuel Mobile Bobtail setup



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<http://www.thefuelweb.com/>

Continued from Page 1— excerpt from Butane-Propane News April 2007

"I've found a high level of customer acceptance," Stewart says. "We didn't have a lot of out of gas calls before, but since we deployed we have had a 55% to 60% reduction. I get an incredible level of support and support tools from The Fuel Web, especially considering how many units we have in the field."

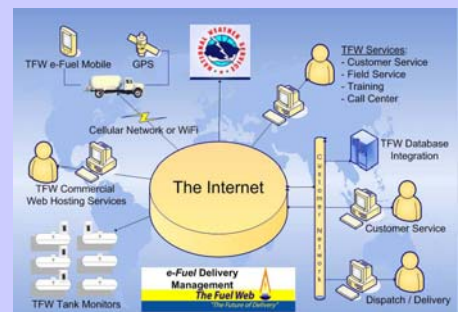
Stewart accesses his data, which is stored at The Fuel Web's data center, via the Internet. The system is integrated with his MAS-200-based DM2 accounting software.

"The system allows me to proactively manage will-calls, which is always a challenge in our industry, not only from the standpoint of efficiency, but also for safety." He adds that the approach he is taking with The Fuel Web is toward full deployment throughout the company.

Rather than creating a general set of usage statistics such as Degree Days, The Fuel Web maintains it can create a statistical model specifically for each tank based on detailed tank monitor usage, local temperature data, and professional weather forecasts. With *e-Fuel*, companies are af-

forded live tracking of fills, and provided with detailed analysis of usage history to determine future forecasting.

"The premise of this model is that we execute all the customer usage forecasting and delivery scheduling," says Vollen. "Fuel marketers have up-to-date historical, real-time, and seasonal data available from *e-Fuel* via a Web browser. The automated scheduling produces efficiencies that result in fewer trips and larger fuel drops using fewer resources. *e-Fuel* supplies one system solution for all of this. Fuel marketers can reduce costs and focus resources on their core competency—outsourcing the delivery management business process."



TFW Background:

Between 1999 and 2002 a business analysis was conducted by The Fuel Web, Inc. 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. named *e-Fuel* and is being used successfully by many propane marketers in North America.