

Energy optimization in three simple steps

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Unless you've been living under a rock, you'll be keenly aware of how three major news stories have combined over the last year or so to produce a critical situation in terms of energy, with major consequences for our sector, and Total Cost Of Ownership in particular. The Russian invasion of Ukraine and the resulting war, the oil and gas embargoes imposed on Russia by a vast array of Western countries, and the fact that most commodities are denominated in an unusually strong US dollar have all impacted prices. The consequences for a Fleet Manager's bottom line are considerable, and the situation looks unlikely to change in the near future. So with things set to continue along a similar trajectory in 2023, what can you do to offset the impact of the crisis? Below we examine three concrete options that can be taken into account: choice, maintenance and monitoring.

• **Choice of vehicle**

Whether you are currently using mostly ICE or BEVs, choosing the right vehicle is vital to improving energy efficiency. At ALD Automotive we can provide bespoke suggestions for efficient models if you wish to transition from greedier models, which can result in savings of up to 15%. We take into consideration a wide range of factors to provide comparable models in the segment, but with an eye on wheel size, trim level and other options.

In such a context, a great level of attention needs to be paid to the choice of PHEVs. If used incorrectly, they can in fact lead to significantly higher consumption. Ideally, the electric range, which normally covers between 40-100 km, should be used for all commuting journeys. However, this requires overnight charging and therefore behavioural change. If such measures are not taken, a driver could end up consuming 3 or 4 times more fuel than stated in the manufacturer's estimates.

Our EV catalogue provides a detailed guide to available models, in terms of range and fuel efficiency. In light of this, a review of your car policy to identify and change criteria which may be detrimental in the current context is certainly advisable.

• **Maintenance**

Making sure your vehicles are well maintained is another key factor in ensuring efficiency and keeping costs down. Small changes in driver behaviour (for which active communication and education are often required) can lead to considerable improvements. Optimal strategies can range from keeping an eye on tyre pressure (which incidentally also helps safety, makes tyres last longer and improves braking performance) to regular engine servicing, as per manufacturer recommendations, in order to ensure better fuel efficiency. The use of predictive maintenance based on data gleaned from on-board telematics can also help monitor mileage and make adjustments to service scheduling accordingly.

• **Monitoring**

Indeed, the monitoring of driver behaviours is of significant benefit to any Fleet Manager seeking to optimize efficiency. Central to this is obviously the question of charging, which can have a huge economic impact. In some cases, rates can vary for example between from €0.15 to more than €0.30 per kWh for vehicles charged at home, and to as much as €1 per kWh for vehicles charged at a fast charger on highways. As you can imagine, the difference in cost soon becomes astronomical. Drivers therefore need to be encouraged to charge at home, and by night (which also helps balance the grid, where peaks occur

during the day). Charging at the office is also preferable at all times to the public network, as most companies have negotiated conditions with energy providers. More active interventions can include capping charging on public infrastructure for BEVs, or limiting the number of tank refills for PHEV drivers, so that they are encouraged to use the electric range.

Reviewing your car policy in general to make sure that each driver is driving the vehicle that's the best fit for them is another more global strategy to adopt. This can go hand in hand with rolling out e-learning modules to raise awareness of optimal driving and charging behaviours. To go one step further, with the help of telematics, little things like harsh braking, over-hasty acceleration from red lights, and use of speed in general – all of which can be described under the umbrella term "aggressive driving" – can all be monitored and fed back diplomatically to drivers, making them aware that each time they set out in their vehicle, they are in effect behaving with varying efficiency. Skilful communication is clearly a key part of this endeavour.

As we have seen, while Fleet Managers and individual drivers obviously have little effect over world events and their consequences, there are many small but significant ways in which alterations in behaviours that we *can* control impact the bottom line. Choice of vehicle, maintenance and monitoring driver habits, when used judiciously and in combination, can help keep costs manageable in a difficult economic situation, where every little helps.

If you would like more info, please contact us: consultancy@aldautomotive.com

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