# CitiPower Pty & Powercor Australia Ltd Case Study

April 2013

## 1 Introduction

CitiPower Pty & Powercor Australia Ltd participated in a 12-month pilot of the Victorian FleetWise program.

The purpose of the pilot was twofold: to assist participating organisations improve the energy efficiency of their fleets, and to evaluate the usefulness of the FleetWise program.

## 2 About the organisation

CitiPower & Powercor are two of Victoria's five privately managed electricity distributors owned by Cheung Kong Infrastructure Ltd and Power Assets Holdings Ltd (listed on the Hong Kong Stock exchange) and Spark Infrastructure (listed on the Australian Stock Exchange).

CitiPower & Powercor operate as one to manage the poles, wires and equipment delivering electricity to over a million homes and businesses in metropolitan Melbourne and throughout central and western Victoria.

## 3 Nature of the fleet

As at 31 December 2012, CitiPower & Powercor's light vehicle fleet included 504 vehicles. These vehicles were estimated to produce approximately 4354 tonnes of GHG emissions ($CO_2$-e) at an average intensity of 255.9 grams of $CO_2$-e per kilometre travelled.

About 30% of the light vehicle fleet were light commercial vehicles used to carry equipment to maintain power poles, which can be located at remote locations around the State.

CitiPower & Powercor use LeasePlan to help manage their light vehicle fleet. As part of this process, LeasePlan highlight exceptional vehicles (20% variation to the norm) for Citipower & Powercor to investigate. Additionally, CitiPower & Powercor keep abreast of new technology as it becomes available in the market.

## 4 Fleet improvement actions

Over the January 2012 – December 2012 period, the company:

- amended the procurement policy to consider GHG emissions and fuel efficiency, in order to formalise their sustainability objectives within the fleet while maintaining vehicles as fit for purpose
- increased the number of diesel and hybrid vehicles in the fleet, when appropriate
- built their own fleet data module within SAP fleet to capture data on all vehicles used within the period including retired ones (this was able to be used for the baseline period and the first year data.) and structured a specific 'FleetWise' report that would extract the required data for a set period
- implemented a monthly fuel validation process, where the data system would highlight potentially erroneous data based on historical litres per kilometre and provide corrections when needed
- educated drivers on the importance of correctly recording odometer readings
- shared findings between the fleet management team and the environmental team to facilitate internal collaboration.

Some initiatives for potential implementation next year are to:

- provide all drivers with an eco-tips factsheet, to be stored in each vehicle as a reminder of how to drive more safely and more fuel efficiently
- continue to remove older less efficient vehicles
- look into the new LPi technology.

## 5 Results

A follow-up assessment of the emissions performance of the CitiPower & Powercor fleet was undertaken in March 2013.

In line with the growing business, the total light vehicle fleet grew in size to 597 vehicles (as at 31 December 2012), and the kilometres travelled were 3% higher than in the baseline year. The larger fleet included an additional four hybrid vehicles and 69 diesel vehicles.

The assessment revealed a reduction in overall GHG emissions by 63.6 tonnes (1.5%), and a fleet-wide **improvement of 11.5 grams of $CO_2$-e per kilometre** (4.5%). This reduction was attributable to the switch to more fuel-efficient vehicles and to driver training strategies.

## 6 Summary and learnings

CitiPower & Powercor started the program by improving their data collection system, and amending their procurement policy. By using this policy to change the structure of their fleet, they will continue to achieve emissions reductions in the years ahead.

Participation in the FleetWise program gave rise to the following observations, which are relevant for all program participants:

- A more fuel efficient fleet is both environmentally and economically beneficial. Despite the increase in total mileage travelled, CitiPower & Powercor purchased 4.6% less fuel. There was a negligible premium on the capital purchase.
- Ensuring vehicles are fit for purpose optimises the investment in them and can improve efficiency.
- Ensuring that all relevant data is continually validated and located in one place allows for a much easier and streamlined data collation process and provides more reliable results.
- Awareness-raising via a driver eco-tips fact sheet is a low cost alternative to implementing a formal eco-driver training program. This measure can immediately reach a large number of drivers and increase their awareness of the importance of efficient driving, and what actions they could take individually.

'FleetWise provided us with the tools and processes to extrapolate and interpret our fleet data to enable us to capture and monitor the $CO_2$-e emissions of our light vehicle fleet'.

*Ron Carr, Light Vehicle Fleet Manager, CitiPower Pty & Powercor Australia Ltd*