

Ron Finemore Transport – Business Case and Beyond

Key points

- Ron Finemore Transport’s commitment to energy efficiency provides a competitive advantage for the company because information about energy and greenhouse gas management practices is increasingly requested by customers and required in tender documents.
- Ideas on energy efficiency improvement come from a range of sources but require on-road testing to prove they will work and to estimate the benefits.
- Trials are often conducted in collaboration with customers and suppliers because there are benefits for all parties.

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Ron Finemore Transport: Approach to energy efficiency

About the company

Ron Finemore Transport has more than 150 vehicles on the road at any one time across NSW, Victoria and Queensland. The company generates an annual turnover of approximately \$80 million. The majority of vehicles are high productivity B Double trailer sets.

The company has four divisions:

- General freight – transporting groceries for the large retailers and food manufacturers
- Liquid freight – transporting fuels, lubricants, tallow and vegetable oils
- Temperature controlled freight – transporting fresh produce and frozen products
- Bulk freight – transporting bulk commodities including grains, meals, feeds and fertiliser.

Energy use at Ron Finemore Transport

Total energy use in 2009/10 was 697,979 GJ (<http://eex.gov.au/glossary/letter/G/#GJ>). Over 99% of energy use is in fuels including diesel, LPG, LNG and biodiesel.

Energy policy, targets and approach

Ron Finemore Transport has a strong commitment to lowering greenhouse gas emissions and reducing energy consumption. These commitments are aligned with core company objectives such as increasing productivity and reducing waste. In recent years there has been increasing interest from customers regarding the energy and environmental performance of transport companies, including policies and practices associated with monitoring, measuring and managing fuel use.

The company has recently implemented a range of fuel efficiency initiatives including:

- Adoption and ongoing use of alternative fuels such as [liquefied natural gas](http://eex.gov.au/glossary/letter/L/#Liquefied+Natural+Gas) (<http://eex.gov.au/glossary/letter/L/#Liquefied+Natural+Gas>) (LNG), liquefied petroleum gas (LPG) and biodiesel
- Reduced fuel consumption through the purchase of aerodynamically designed prime movers and trailers
- Use of energy-efficient low profile tyres and nitrogen inflation of all tyres.

New ideas and initiatives are identified in discussions with sales people, technology suppliers and manufacturers, and attendance at international trade shows. Technologies that are successful in Europe and the USA are considered but need to be trialed in Australia's unique conditions to make sure they work and that the savings can be achieved.

Getting support and funding for energy efficiency projects

The management structure of the company is very flat. When new opportunities are identified, the asset manager, who is part of the senior management team, proposes new initiatives at senior management team meetings.

Trials are typically the next step in evaluating whether energy efficiency initiatives should be implemented. Customers, technology providers and manufacturers may all be involved. Trials are typically undertaken on projects where there is expected to be more than a 5% improvement in fuel efficiency.

The data from trials is then used to build a detailed business case proposal to roll out energy efficiency initiatives across the business.

Benefits of the company's focus on energy efficiency include:

- Reducing costs
- Providing a point of differentiation from competitors in tender bids
- Productivity, safety and other benefits to the company and the community through projects that reduce total truck kilometres travelled
- Safety benefits from certain energy efficiency equipment. For example, by installing aerodynamic kits on trucks the centre of gravity of the vehicle is lowered. This improves truck handling and enhances driver control of the vehicle.

Ron Finemore Transport: Increasing the capacity of bulk tipper trucks to reduce kilometres travelled, reduce fuel use and increase productivity

Genesis of the project

Two bulk tipper trucks are used to transport grain over a 500km route in NSW. Each truck makes around five trips a week carrying a standard 35 tonne payload. Following discussions with a trailer manufacturer the possibility of designing a 40 tonne tipper trailer was identified. The project had the potential to deliver shared productivity benefits for both the customer and Ron Finemore Transport (RFT).

Investment challenge

Given this project involves a highly customised solution, a high level of collaboration between RFT, the customer and the manufacturer was required. For example, RFT needed the certainty of a longer term contract to justify their investment. The customer needed to agree to the solution and understand any potential impacts on scheduling or reliability of the services being provided. The manufacturer needed to build the trailer and ensure that it would perform as required.

Solution

RFT initially approached the customer to discuss the project. The customer was supportive because they would benefit from the productivity benefits, which could be quite clearly defined. The design team at RFT then worked closely with the manufacturer to design the trailer and conduct trials.

The design engineer, manufacturer and operators undertook the inspections and trials from concept to task commencement. The new tipper trailers were inspected at the manufacturing facility prior to acceptance to verify that design innovations had been successfully manufactured to the expected standards. Upon delivery to Ron Finemore Transport, trial runs were conducted which involved loading the vehicle at the customer's facility to ensure that the existing bulk grain loading equipment could safely load the new larger trailers and that expected higher payloads could be achieved in compliance with road mass management regulations. The first transport journey validated the handling performance of the new equipment on the road under

maximum load, and that the receiving facility could safely accommodate the trailers for product discharge. Once risk assessments and operating procedures were complete, the tipper trailers were deemed ready for service.

Outcomes

The trailer is currently in use. The project outcomes and benefits include:

- The same amount of product is transported with 74 fewer truck trips/annum, resulting in 72,000 avoided truck kilometres travelled
- 38,000 litres of fuel saved per annum
- Shared financial benefits for the customer and Ron Finemore Transport
- Reduction in greenhouse gas emissions of 103 tonnes CO₂e-/annum
- Benefits to the community through fewer truck movements.

Tips for success

- Collaboration between Ron Finemore Transport, its customer and the manufacturer was required in order to successfully trial and implement the project to ensure the business needs of all parties were addressed.

Refer to the sections on [involving the right people](http://eex.gov.au/energy-management/the-business-case-and-beyond/developing-your-business-case-six-strategies/involve-the-right-people/) and [describing and quantifying business costs and benefits](http://eex.gov.au/energy-management/the-business-case-and-beyond/developing-your-business-case-six-strategies/describe-and-quantify-all-business-costs-and-benefits/) for further information.

[Ron Finemore Transport - Business Case and Beyond](http://eex.gov.au/case-study/ron-finemore-transport-increasing-payload-capacity-on-bulk-tipper-trucks/)

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