

Case Study National Grid

When Scalability is Necessary

How National Grid – One of the Largest Utilities in the United States – Uses AssetWorks FleetFocus™ to Manage its Fleet Operations

Because of acquisitions, National Grid provides electricity and natural gas services to a growing number of customers. National Grid currently has the largest electricity transmission and distribution network in the New England/New York region and its USA revenues for the 2006 fiscal year were \$8.2 billion. The utility's Fleet Department consists of 240 employees, including 179 technicians and 22 supervisors working from 36-staffed garages. The fleet of approximately 5,770 vehicles travels an estimated 46 million miles annually in the course of providing quality electric and gas service to its customers. To help manage its fleet of vehicles and equipment National Grid uses AssetWorks FleetFocus™.

National Grid's Fleet Management Department has extensive experience using FleetFocus™. It was first implemented at the New England Electric System (NEES) before it was acquired by National Grid in 2000. Following the acquisition of Niagara Mohawk Power Corporation in 2003, FleetFocus™ was again chosen as the fleet system to run the combined fleet. During this merger, the newly formed fleet department completed a re-implementation of the application that drew upon best practices and experience from earlier implementations. In addition, targeted support was provided from the AssetWorks Professional Services Group.

"No two fleet departments implement software in quite the same way," stated Archie Bernardi, Manager of Fleet Performance and Contract Management for National Grid. "When faced with mergers and acquisitions, the challenge is to get everyone on the same page as quickly as possible while ensuring existing and new best practices are implemented. We avoid the headaches that come from costly custom configurations and ground up reimplementation by relying on the built-in scalability of FleetFocus™. The software's flexibility is critical to managing our fleet's growth."

Making Mergers Work

When faced with past mergers, National Grid has consulted with AssetWorks for support and valuable insight into how it could leverage FleetFocus™ to continually improve its fleet operations. A cross functional team, that includes fleet supervisors with significant experience, worked to evaluate and develop company-wide fleet policies, procedures and the FleetFocus™ system software standards for the newly merged operation. This experienced core team has become an ongoing committee driving continuous improvement, expansion and support across the department. In addition, National Grid's IT Department seamlessly integrated the flexible software into the corporate system building the necessary interfaces with work management, time entry, financial and fuel management systems. The system is currently fully integrated and fleet data is captured remotely, in real-time, and updated automatically from multiple locations across multiple states.

“Whether experiencing an increase in our fleet size due to mergers, or just evolving our existing operations, we remain loyal FleetFocus™ users. AssetWorks has demonstrated through numerous enhancements over the last several years that it is very dedicated to making sure that the product remains the best on the market.”

*Archie Bernardi
Manager of Fleet Performance
and Contract Management
National Grid*

Although mergers create stress among impacted staff, the team approach used by National Grid helped to break down the barriers and created a collaborative environment that eased people's concerns because they all worked together to build the future. Ultimately, this hands-on approach won people over and helped to create a cohesive department and, of course, an effective FleetFocus™ application.

"If collecting data is too difficult, you lose credibility. At the end of the day, the system has to be user friendly to technicians and supervisors – it has to be their tool," said Mark Coughlin, Senior Analyst for National Grid. "FleetFocus™ is a powerful fleet information system. When we recently trained new colleagues, they were pleasantly surprised at how FleetFocus™ enables them to better manage their operations on a day-to-day basis."

Beyond ease of use and convenient scalability, FleetFocus™ has added functionality to National Grid's utility fleet operations in areas such as utilizing rental rates to effectively charge back clients for vehicle use, employee labor capture to more accurately track labor hours, and warranty claims to ensure that repairs made to vehicles covered under manufacturer warranty are tracked in the system and fully reimbursed by motor companies.

Here are a few specific examples of how National Grid utilizes FleetFocus™:

- **Implementing Fixed Rate Vehicle Pricing via Rental Rates** – National Grid assigns fixed monthly rental rates to each of approximately 160 maintenance classes. These rates include the monthly lease, maintenance, and other charges typically associated with fleet vehicles. The process is analogous to that used by outside rental companies. In addition, actual fuel consumption and costs are added to this monthly charge on a vehicle-by-vehicle basis. Every month, this cost information is combined with actual vehicle usage information from the company's work management and time entry systems to allocate vehicle costs to capital and O&M projects. The process also charges for under-utilized units which provide powerful pricing signals to client departments. This process has helped National Grid operating departments manage their fleet assets better by providing them with detailed vehicle utilization information. This process has resulted in a "right sizing" of the fleet. This year alone, over 350 under-utilized units have been sold reducing the overall size and cost of the fleet.
- **Employee Labor Capture** – FleetFocus™ allows National Grid fleet supervisors to remotely manage multiple garage operations from any location. Whether in an office, at a garage, out in a storm or even from home, staff can access the FleetFocus™ application anywhere they can get connected to the network. Labor Capture provides "up to the minute" information about what technicians are working on whether directly charged to a vehicle or on indirect tasks.
- **Identifying Problems Before They Cost Money** – FleetFocus™ tracks every relevant detail involved in fleet operations. National Grid's Fleet Department has developed performance reports that shed light on key metrics down to the garage level. This information is used on an ongoing basis to monitor trends and identify areas for improvement. This approach supports continuous operational improvement and reduces costs within the fleet.
- **Better Integration of VMRS Codes** – Vehicle Maintenance Reporting Standard (VMRS) is the industry standard for fleet maintenance and operations. National Grid has adopted these standards and has used them extensively in its FleetFocus™ instance. These codes provide a uniform system for labeling repair tasks, parts, work class, reasons for repairs and other aspects of fleet operations. The flexibility of FleetFocus™ enabled National Grid to easily integrate these codes to improve the consistency of reporting across its 36 garage locations and simplify training and orientation for new technicians and supervisors.
- **Precise Tracking and Maintenance Alerts Deliver Improved Safety and Uptime** – FleetFocus™ offers precise, real-time tracking of critical fleet data. National Grid uses the software solution to perform the right amount of maintenance per vehicle at the right time. Multiple, automatic triggers including mileage and fuel consumption (in addition to time) alert staff when a vehicle should be scheduled for maintenance. This guarantees a higher degree of vehicle safety and availability while minimizing expensive unscheduled repairs.

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*Mark Coughlin
Senior Analyst
National Grid*

- **Ease of Sharing Data** – Using the data available from FleetFocus™, National Grid Fleet has been able to provide its client departments with the ability to generate custom summary reports regarding vehicle costs, usage, fuel consumption, and damages, etc. using only a web browser. These reports are accessible from anywhere via the National Grid corporate intranet. Being able to make this wide variety of real-time data directly available to clients on a user self-service basis empowers them to better manage their operations and greatly enhances the relationship between Fleet and its clients.

During the summer of 2006, National Grid completed an acquisition of the assets of New England Gas. Because of work done during previous mergers and the solid FleetFocus™ application in place, the vehicle assets of New England Gas were easily brought into the application. Technicians and staff, new to National Grid, were quickly trained by National Grid Fleet supervisors who are members of the core team. “Overall the transition was very smooth,” commented Mark Coughlin.

Most recently, in February of 2006, National Grid announced plans to acquire KeySpan Energy. KeySpan is a large gas and electric utility serving areas of New York City, Long Island, eastern Massachusetts and south central New Hampshire. This acquisition will create a combined fleet of almost 10,000 vehicles. This merger will expand the size of National Grid’s North American operations to become the third-largest energy delivery utility in the United States.

“Whether experiencing an increase in our fleet size due to mergers, or just evolving our existing operations, we remain loyal FleetFocus™ users. AssetWorks has demonstrated through numerous enhancements over the last several years that it is very dedicated to making sure that the product remains the best on the market,” said Bernardi. “We’ve explored other fleet management software vendors, but none offer this level of flexibility, functionality and constant improvement. The scalability and support have made all the difference for National Grid and as a result, FleetFocus™ has become the backbone of how we operate our fleet.”

Overview

Customer
National Grid

Industry
**Electricity and
Natural Gas**

Fleet Makeup
5,770 Vehicles

Number of
Fleet Employees
240

Product
FleetFocus™



To learn more about how
AssetWorks' applications can
help your business, contact
an AssetWorks representative
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