



ccj SOLUTIONS SUMMIT
GAINING AN EDGE



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HOW TO MAKE MONEY OFF OF THE DATA YOU ALREADY GENERATE



John Reed
CIO, Aim Integrated



Jason Meares
Senior Manager of Logistics
Systems, Crestwood

Presenter Bio



- Graduated Summa Cum Laude from Youngstown State University
- Started in Transportation in 1983
- Began Working at Aim in 1993
- Promoted to CIO in 2003
- CCJ Innovator in 2010 & 2013
- CCJ Solutions Summit in 2019



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Aim Transportation Solutions

- Our founder, Tom Fleming's grandfather started a company moving luggage from the rail yards of Youngstown in 1903
- Tom founded Aim in 1982 with a single Location and 25 trucks
- When I joined Aim eleven years later we had a dozen locations and a little under a thousand trucks
- Today we have become Aim Transportation Solutions and have 100 locations between Leasing and Integrated with over 10,000 units under contract and more than 500 of our own drivers



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But computers have gone from...
Since 1983 trucks still
look ... well ... like trucks



to this!



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Then think about storage!

- The giant disk seen here is one I still have from my code writing days back in 1983. You are looking at 5 MB of removable storage which, at the time, cost about \$5,000.
- The SD card next to it is 128 GB or 25,000 times the storage of the old disk and at \$20, it's 50 times less expensive!
- So the cost of storage in 2019 is over a million times cheaper than it was in 1983.



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Cashing In On All This Data

- When you think of monetizing data, you probably think of Google, Amazon, Facebook and others that have mastered target marketing.
- But in my world, most of the marketing data we have is something our customers want to keep private.
- So, we need to use the data we have and look for patterns, assign expenses at another level and better utilize resources.



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Areas of Interest

- **Customer Data** – We all need to be able to fire bad customers but quite often the way we look at them can be flawed with faulty G&A.
- **Drive Time** - Avoid broad sweeping averages when looking at things like average delay time at a customer and look deeper into the issue.
- **Driver Data** – Money is everywhere in this data set. Everything from idle time reduction, MPG, call off days and injuries are all components impacting your bottom line.
- **Equipment Data** – Analysis of this can improve your uptime and turning wheels mean revenue.



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COMPANY OVERVIEW

Crestwood Equity Partners LP (NYSE: CEQP) is a publicly traded master limited partnership that owns and operates midstream assets located primarily in the Marcellus Shale, Bakken Shale, Delaware Permian Basin, PRB Niobrara Shale, Barnett Shale and Fayetteville Shale. Our operations and financial results are divided into three segments that include Gathering & Processing, Storage & Transportation and Marketing, Supply & Logistics.

Crestwood Equity Partners is headquartered in Houston, TX.

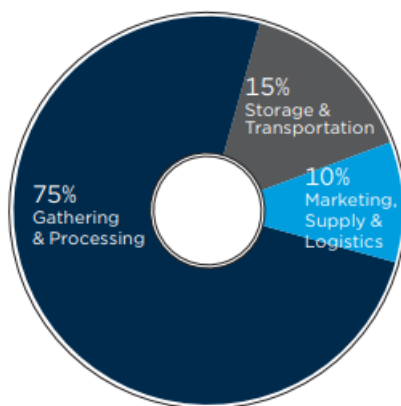
CORPORATE PROFILE

CEQP

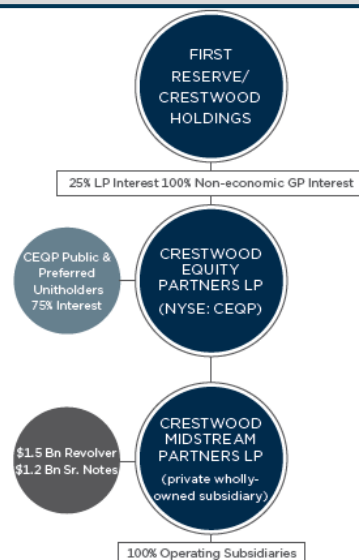
Market Capitalization	\$2,623
Units Outstanding	72 MM
Current Yield	6.6%
Annualized Distribution Per Unit	\$2.40
Total Employees	938
Trucking Employees	193
Trucking Units	210

Market Data as of September 30, 2019

2019E EBITDA MIX



ORGANIZATIONAL STRUCTURE



COMMITMENT TO EXCELLENCE



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Company Overview – Operating Footprint



Connections for America's Energy™

Connections are at the heart of Crestwood. Our pipelines, plants, storage, trucking and terminal operations, and rail facilities connect oil, natural gas, and natural gas liquids across the value chain – from the wellhead to the marketplace.



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Company Overview – Core Principles

CONNECTIONS

Create Flow Assurance
Across the Value Chain

Linking supply and
demand across the
midstream value
chain

Increased visibility for
producers to end users

End-to-end solutions for
the best path to demand
centers

Scale to complete major
infrastructure growth
projects

INTEGRITY

Embody Core Principles

Focus on operational
safety as our top priority

Responsible care for
environmental compliance
and sustainability

Commitment to
communities where we
operate and our employees
live

Valuing relationships with
our employees,
customers, vendors and
the public

OPERATIONS

Maximize Value to
Customers

Critical midstream
infrastructure in
premier shale plays
and market centers

Comprehensive services,
leveraging relationships to
link supply with demand

Expertise in gathering,
processing,
transportation, storage
and logistics

Improving customer
options through control of
product from wellhead to
burner tip

EXECUTION

Deliver on Disciplined
Strategy

Best-in-class operations
and customer service

Completing infrastructure
projects on time, on
budget

Optimize the asset
portfolio through organic
project and acquisition
growth

Experienced management
and dedicated employees
focused on creating
investor value



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Company Overview –Transportation Transformation

- From 2016 to 2018 Crestwood underwent a transportation transformation to adapt to challenges caused by weakened demand and downward price pressure resulting from declining crude oil prices as global supply exceeded demand.
- Business processes were reengineered and multiple different technology solutions were implemented and leveraged to improve efficiencies and increase profitability while receiving numerous industry awards and recognition along the way:
 - National Tank Truck Carriers (NTTC) Competitive Safety Award, 2016 & 2017
 - TMW Systems Energy Services Innovator of the Year, 2017
 - Commercial Carrier Journal Innovator, June 2018
 - Environmental Protection Agency, SmartWay Transport Partner, 2017, 2018, & 2019
 - Fleet Owner, For-Hire 500, 2019
 - Trimble Transportation, Platform Powerhouse, 2019



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Technology Solutions – Fuel Savings

- **Business Challenge:** Weakened demand and downward price pressure resulting from declining crude oil prices as global supply exceeded demand created economic challenges for Crestwood in late 2014.
 - In 2016 the company began a transportation transformation to adapt to these challenges which included a strategic initiative to reduce fuel spend in the face of rising fuel costs.
- **Solution:** In October 2016 Crestwood implemented automated fuel interface which enabled the daily import of all fuel card transactions into the TMS from its fuel card provider.
 - In early 2019 Crestwood leveraged its Microsoft Power BI platform on top of its TMS to analyze the 2.5 years of accumulated fuel spend data and identify opportunities to reduce fuel costs.
- **Business Impact:** Today Crestwood's fuel spend is down over \$450,000 through the first six months of the year as a result of being able to analyze fuel and operational data and identify and execute on opportunities found within that data to reduce fuel costs.
 - Opportunities included missed fuel discounts, drivers fueling out of network, opportunities to renegotiate existing discounts, opportunities to negotiate new discounts, as well as opportunities to renegotiate agreements with the fuel card provider.
 - The rich operational and fuel data helped to jumpstart the company's diesel hedging program which has impacted fuel surcharges and lane margins.



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Technology Solutions – System & Process Optimization

- **Business Challenge:** In 2015 Crestwood implemented a dispatch system to manage its oilfield operations.
 - Operating the fleet from two different dispatch systems created many operational challenges, required drivers and office staff to use multiple systems and devices, created reporting limitations and cost the company over \$60,000 annually to operate.
- **Solution:** In 2018 Crestwood rolled out a new telematics platform capable of managing its oilfield and non-oilfield operations through a single workflow application that is fully integrated into its TMS.
- **Business Impact:** Today all Crestwood trucks are auto dispatched using a workflow process which enables the company to operate from a single dispatch system across its entire fleet.
 - Lowered telematics costs and the elimination of the legacy dispatch system is on track to save the company over \$60,000 annually in software and cellular costs.
 - Driver satisfaction has improved by enabling them to manage Hours of Service and dispatches from a single system and device.
 - A new document scanning app integrated with Crestwood's imaging system provides clear, legible, digital copies of paperwork upon delivery of each load, enabling quicker invoice processing times, improved DSO, and increased customer satisfaction.



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Technology Solutions – Enabling Business

- **Business Challenge:** In Q4 2018 Crestwood divested of assets located in the western part of the United States.
 - The counterparty, a midstream oil and gas company, purchased the assets which included 100 trucking units.
 - The transaction resulted in the creation of a new trucking company which needed a transportation management system, fleet maintenance system, telematics, and supporting systems to begin operations.
- **Solution:** Realizing the efficiency and effectiveness of Crestwood's TMS platform over its existing TMS platform, the counterparty and Crestwood entered into a Technical Services Agreement to build a new TMS platform mirroring Crestwood's for the newly formed trucking company instead of using its existing TMS system.
- **Business Impact:** Today crude oil and NGL supply services to propane retailers, refiners and petrochemical producers in the western part of the United States are operating on a state-of-the-art TMS, telematics and maintenance platform.
 - From safety and compliance to invoicing and truck maintenance, this newly formed trucking company is going to market providing the safe, reliable supply of products that has come to symbolize their parent company using systems and processes architected by Crestwood.



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Connections for America's Energy™

Crestwood connects fundamental energy supply with energy demand across North America through a best-in-class midstream network. Our diversified asset base and integrated services provide flow assurance across the value chain for producers and consumers of natural gas, natural gas liquids and crude oil. Four pillars of our business create value for our customers and country: Connections linking supply and demand; Operations providing critical infrastructure; Execution delivering best-in-class operations and service; Integrity valuing commitment to customers, employees and communities.

Connect with us at (832) 519-2200 or online at crestwoodlp.com



CONNECTIONS OPERATIONS EXECUTION INTEGRITY



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What is your biggest challenge to effectively using data to drive business profitability?

Data standardization and quality	28%
Too many data sources	18%
Even if I can analyze the data, I'm not always sure how to act on it	9%
Lack of automation. It takes too much time to find what I'm looking for	11%
Too many projects happening at once	20%
I can't get buy-in from management or employees to act on the data collected	9%
Other	5%

Data standardization and quality is the biggest challenge respondents face in using data effectively.



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