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Destwin Quick Reference Console Version 1.3 Annual Usage and Budget Payments 30-JUL-09

Annual Usage

For most systems, Destwin bases annual usage on information from the backend system. In most cases this is based on the following formula:

D = The degree days are a Site Parameter that is set globally for all accounts.

K = The K factor comes from the backend system and is unique for each customer account.

Annual Usage = D / K

In some cases Destwin receives the Annual Usage directly from the backend system.

Maximum Gallons

Fuel Dealers can set the Maximum Gallons a customer may purchase on a contract by setting an Advanced Site Parameter:

Maximum gallons a user can enter

This number is entered as a percent. For example, to allow a customer to purchase up to 90% of their Annual Usage, enter 90.

Maximum Gallons are based on the following formula:

P = Advanced Site Parameter that sets maximum gallons

Maximum Gallons = Annual Usage * P

or

Maximum Gallons = (D / K) * P

Budget Payments

There is an Advanced Site Parameter that affects how budget payments are calculated. This parameter affects calculations when the number of payments is ten (10) or greater. When the number of payments is nine (9) or less, the budget payment is based on the contracted gallons.

The Advanced Site Parameter that controls this calculation is:

Budgets calculated based on annual usage?

By default this parameter is set to Yes.

Example Calculations of Budget Payments

1. Budgets calculated based on annual usage = Yes

Annual Usage: 1000 gallons Maximum Gallons: 900 gallons Number Of Payments: 10 Gallons Purchased: 400 Price per Gallon: 3.000

Budget Payment = (Annual Usage * Price per Gallon) / Number of Payments

Budget Payment = (1000 * 3.000) / 10

Budget Payment = 300

2. Budgets calculated based on annual usage = No

Annual Usage: 1000 gallons Maximum Gallons: 900 gallons Number Of Payments: 10 Gallons Purchased: 400

Price per Gallon: 3.000

Budget Payment = (Gallons Purchased * Price per Gallon) / Number of Payments

Budget Payment = (400 * 3.000) / 10

Budget Payment = 120

3. Budgets calculated based on annual usage = Yes

Annual Usage: 1000 gallons Maximum Gallons: 900 gallons

Number Of Payments: 3 Gallons Purchased: 500 Price per Gallon: 3.000

Budget Payment = (Gallons Purchased * Price per Gallon) / Number of Payments

Budget Payment = (500 * 3.000) / 3

Budget Payment = 500

In example 3, even though the parameter is set to - Yes - , since the number of payments is less than 10, the Budget Payment is based on Gallons Purchased, not Annual Usage.

In all examples, Maximum Gallons are provided but do net effect the Budget Payment calculation.

Note - other factors such as account credits and their application to amounts due, contract fees, and existing contracts can also effect the amount of the budget payments. The above examples are intended to demonstrate how the above Advanced Site Parameter *Budgets calculated based on annual usage?* effects the budget payment without introducing these other variables.