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The Road to ROI: How AI-fueled Logistics & Customer Engagement Tech Drive Growth and Efficiency

EAMONN CLARKE

CLI TRANSPORT

INTRO

TMS JOURNEY: WHERE WE STARTED

- CLI had a stable, but stagnate TMS
- The vendor had not been investing in the solution
- We had been looking at the same screens for 15+ years
- The TMS was not purpose built for the fuel industry
- Sheetz and CLI were on a rapid growth trajectory and just “OK” wasn’t going to cut it.

TMS JOURNEY: THE GOALS

- Dispatcher efficiency: Something that could allow us to grow without adding headcount
- Something that managed supply, sourcing, and allocations
- Fuel-centric, not just a module
- Modern tech that is taking advantage AI and other best in class tools
- SaaS solution offered by a trusted partner

TMS JOURNEY: THE PROCESS

- Vendor Search
- Detailed Discovery & Vendor Selection
- Pilot
- Aligned on Goals
- Roadmap Partnership
- Implementation

TMS JOURNEY: THE RESULTS

- The AI assisted model is working (holiday example)
- Retains have fallen to close to zero
- 40-50% dispatcher efficiency gains. We won’t need to hire dispatchers for 2+ years, even with Sheetz aggressive growth strategy.
- Supply and Logistics are truly integrated, so we are hitting our allocations and directives
- This has opened the door to other game-changing technology for CLI and Sheetz

WEBINAR OCTOBER 2025

INJECTING AI INTO FUEL SUPPLY & LOGISTCS

MIKE SCHARF
GRAVITATE CO-FOUNDER

GRAVITATE

TALK AGENDA

01 WHAT IS AI?

what is **AI** and what are the different types of **AI**?

02 FUEL SUPPLY & AI

applications of **artificial intelligence** in fuel supply and logistics

03 AGENTIC AI PRODUCT D

rapid demo of an **Agentic AI** use case for dispatchers and drivers

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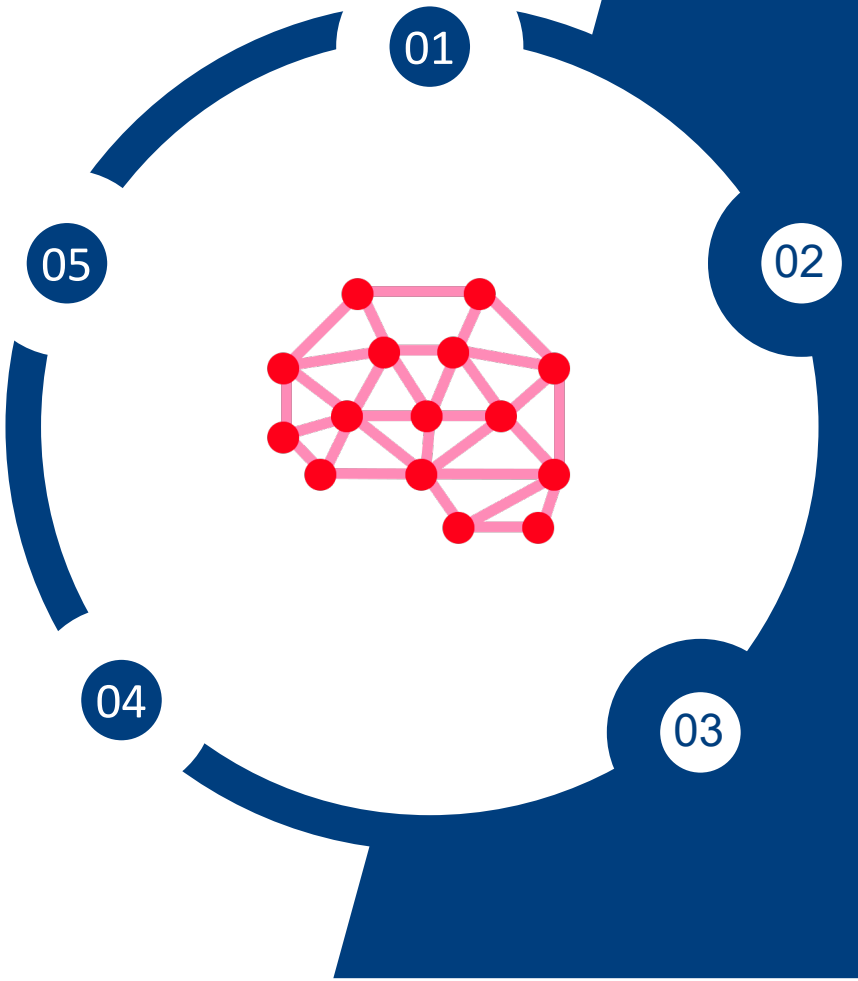
What is **Artificial Intelligence?**

AI is when computers or machines are designed to **think and learn like humans.**



01 Rule Based
Pre-defined rules or heuristics

02 Optimization Based
Math based algorithms

03 Machine Learning
Algorithms that learn from data

04 Generative AI
AI that creates content

05 Agentric AI
AI that takes action

YES, THE BASIC GOALS MAY SEEM **STRAIGHTFORWARD.**

01 AVOID RUNOUTS

02 LOWEST COST SUPPLY

03 SAFE FUEL DELIVERY

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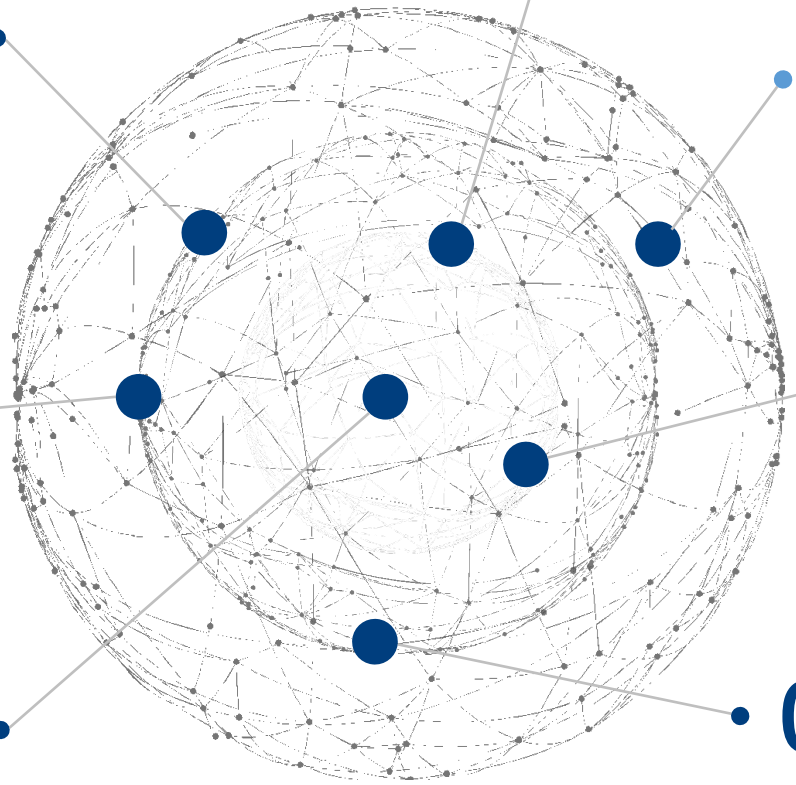
The problem is **truly anything but easy.**

DATA IS EVERYWHERE



01 Thousands of **Supply Prices** with different times

02 **Market Data** (NYMEX, Platts, Argus, OPIS, AXXIS)

03 **Contract** Obligation and Allocations

04 Terminal and Product **Outages**

05 Terminal **Wait Times**

06 Store / Customer **Inventory Levels**

07 Truck **Capacities**

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The problem is **truly anything but easy.**

BEST SUPPLY OPTION

Contract vs. Rack vs. Inventory

Deciding on when and how to buy depending on the market is a complex decision.

Best Terminal

What terminal should you load from?

Blend vs. Pre-blend

Purchase a pre-blend or blend from different suppliers?

Should I Split?

Should we take a large load and drop it all at one store or does it make more sense to split between destinations?

Offsite Blend Location

Does it make sense to blend Ethanol or Bio at an offsite blend location?

Milk Run?

Purchase less expensive product and drop off at 3-4 multiple stores?

Short Load

Does it make sense to do a short load vs. a split?

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LOGISTICS CONSIDERATIONS

The problem is **truly anything but easy.**

- GREATEST EFFICIENCY OF OUR VEHICLES
- DISPATCH THE RIGHT LOADS TO 3RD PARTY
- HIT ORDER WINDOWS (TERMINAL LOADING, NO RETAINS, NO RUNOUTS)
- AWARE OF THE DRIVER CARDING
- MAXIMIZE VOLUME BUT DO NOT VIOLATE WEIGHT RESTRICTIONS
- DIVERT TRUCKS DURING SUPPLY OUTAGES
- MIDDAY PRICE CHANGES
- MARKET UP & MARKET DOWN DAYS
- ARBITRAGE OPPORTUNITIES ANOTHER MARKET
- TRACKING DRIVER PROGRESS
- ORDER UPDATES FROM 3RD PARTIES
- 100 DRIVERS ON THE ROAD

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The problem is **truly anything but easy.**

SILOED DECISION MAKING

SUPPLY SPECIALIST

TEAM OF DISPATCHERS

50-200 DRIVERS

3RD PARTY CARRIERS

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The problem is **truly anything but easy.**

DYNAMIC, REACTIVE DECISIONS

MIDDAY PRICE CHANGES

BIG MARKET MOVES

SUPPLY OUTAGES

THE REALITY IS:

1

Goal #1

AVOID RUNOUTS

2

Goal #2

MAKE OUR DRIVERS AND CARRIERS HAPPY, WHATEVER THAT REQUIRES

3

Goal #3.

HIT SUPPLIER ALLOCATIONS

everything else is done **just OK.**

WE HAVE FOUND:

50 Points to 3 Cents of margin growth depending on how mature you are.

UPSIDE MARGIN GROWTH IS BIG

ANNUAL SALES	MARGIN UPSIDE 30 POINTS	MARGIN UPSIDE 3 CENTS
100 MM	500,000	3,000,000
500 MM	2,500,000	15,000,000
1 B	5,000,000	30,000,000

01

DEMAND FORECASTING

Leverage machine learning (ML) time series models to create **Smart** short and long term forecasts

ML Time Series Models

MILP Models

02

SUPPLY PLANNING

Leverage simulation and mathematical models to make the best annual supply decisions.

03

DAILY LOAD PLANNING

Make the best daily load decisions using MILPs and react quickly to market changes

MILP + Smart Heuristics

THE BIG IDEA

FUEL SUPPLY AREAS THAT BENEFIT FROM AI.

04

DISPATCH OPTIMIZATION

Increase truck/driver efficiency by up to 10% by leveraging route optimization technologies

VRP Models + Agentic AI

Agentic AI

05

DOCUMENT PROCESSING

AI has dramatically improved OCR by increasing accuracy and understanding context to perform tasks beyond simple text extraction

06

CUSTOMER SERVICE

Agentic AI and connected systems can provide internal and external customers with higher and more consistent service levels.

Agentic AI

THE BIG IDEA

FUEL SUPPLY AREAS THAT BENEFIT FROM AI.