


# SolArc RightAngle for Fuel Planning, Accounting and Risk Management



**SOLARC**<sup>®</sup>  
ENTERPRISE TRADE MANAGEMENT



Currently, fuel expenses are ranging between 25 percent and 40 percent of passenger airline operating expenses surpassing the cost of labor at some airlines. Faced with increasing fuel price volatility and tightness in supply, airlines are implementing SolArc RightAngle to capture savings and efficiencies in fuel procurement, price risk hedging and back-office fuel accounting. At SolArc, we strive to have a thorough understanding of your business objectives and offer a proven solution for fuel planning, accounting and risk management: **SolArc RightAngle**

**SolArc RightAngle is the only comprehensive Fuel Management System that incorporates derivatives and physical contracts.**

## Automated Fuel Budget Creation

Forecasting your future fuel expenses can be a highly manual process. Spend your time analyzing the report rather than putting it together.

- Automated fuel budget generation with ad-hoc “what if” scenario analysis on:
  - forward price curves
  - changes in aircraft types
  - new routes and airports
- Fuel budget comparison reporting so that you can analyze forecasted fuel expenses versus actual fuel expenses.
- Calculate your true “Hedged Fuel Budget” by combining financial deal valuation and forecasted fuel expenses in one report.

## Contract Capture, Administration & Pricing

Accurate contract capture is the basis of an efficient fuel accounting process. Increasingly complex pricing mechanisms are now seen in the airline industry, and your fuel accounting system must be able to support these pricing mechanisms to enable the automation of invoice validation.

SolArc RightAngle supports the full contract lifecycle, including contract capture, contract management and printing and transaction pricing:

- Capture of all pertinent contract information, including payment terms (including pre-payments) and pricing mechanisms.
- Reference to single or multiple market price indices, including premiums and discounts.
- Support for common pricing rules, such as Prior Week Average, Monthly Average, 1-15th of the Month, in addition to the ability to quickly configure new rules.
- Ability to capture all relevant charges, such as airport fees, storage fees, and transportation fees.
- Unit of measure and currency conversion.
- Automated complex valuation fees, such as into plane fees, volumetric sliding scales, de-fuelings, and % based fees.

## Automated Invoice Validation

Streamline your accounts payable process with e-invoicing and automated fuel accounts payable processing.

- SolArc RightAngle is IATA XML ready and proven.
- Allows for electronic receipt of invoices to be auto-matched against airline created accruals for easier invoice validation.
- Tolerance allowance at the dollar and volume level allow airlines to kick out incorrect invoices.
- Automates 3-way match with contract pricing, fuel ticket volume, and supplier invoice.



# Risk Management Decision Support and Hedge Accounting

SolArc RightAngle provides automatic, straight-through processing of both physical fuel transactions and the financial derivatives used for hedging.

- Comprehensive physical-to-financial view of fuel position and price risk exposure.
- Eliminate reliance on manual (external) input or off-system calculations to determine mark-to-market or price risk exposure.
- Enable FASB 133 and IAS 39 compliance with hedge accounting document generation, hedge effectiveness testing and automated accounting entries.

# Inventory and Supply Chain Management

SolArc RightAngle allows you to stay on top of inventory and have increased visibility across your group's supply chain. Rather than reacting to vague forecasts, be proactive with automated and accurate forecasts and scheduling.

- Daily actual and estimated inventory valuation.
- Inventory forecasting with automated updates.
- Schedule and print nominations.
- Point and click scheduling for pipeline, truck, barge, and vessel movements.

# Automated Fuel Tax Application

SolArc RightAngle's unique rule-driven "tax engine" allows all applicable taxes to be defined by a set of business rules that automatically generate the appropriate tax transactions.

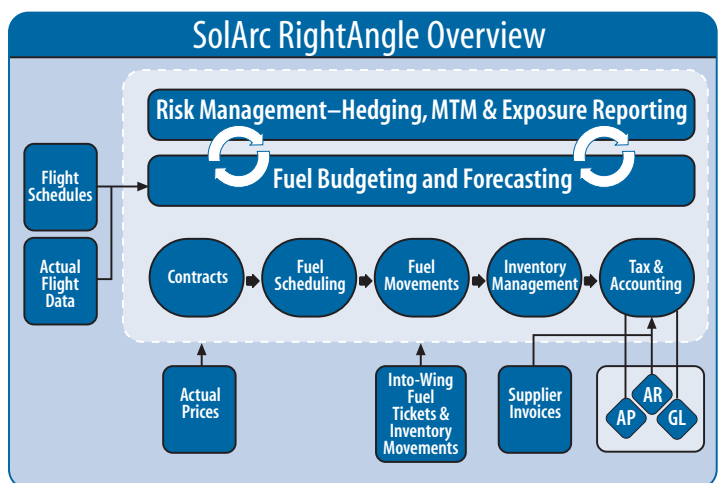
- Greatly reduces errors in tax handling and the effort required to generate regulatory reports to the tax authorities.
- Provides a central repository for maintaining tax definitions.
- Minimizes the workload involved in implementing changes driven by new tax rulings and legislation.



# Easily Integrates with Existing Systems

Interface with other airline systems to automate data transfer and maximize efficiencies across all groups involved with fuel supply operations.

- Automate fuel ticket uploads with interfaces from ACARS, ASIG, Varec, or other in-to-wing fuel metering systems.
- Electronic receipt of financial derivative contracts from your broker or commodities exchange.
- Automate data transfer of validated accounts payables and accounts receivables to the financial system.
- Integrate to the flight scheduling system using the IATA SSIM format.
- Electronically upload bills of lading and pipeline nominations from Transport 4.



# SolArc RA FuelOffice for Small and Mid-Size Airlines

SolArc's larger airline customers have found tremendous value in deploying SolArc RightAngle inside their own IT shops. And while many small to mid-sized airlines could achieve the same value, they don't want to take on the up-front cost and IT infrastructure associated with acquiring, installing, and managing an enterprise software solution. The solution is SolArc RA FuelOffice that is built upon the same SolArc RightAngle enterprise software used by larger airlines.

- Applies best practices for implementing SolArc RightAngle to reduce the time to implement the solution and yields a greater ROI.
- SolArc hosts the solution to lower implementation costs and ensure predictable on-going cost of ownership.
- Zero maintenance for IT infrastructure: acquisition, installation and on-going management of the infrastructure – including service monitoring, backup and upgrades.
- Reliability - Quality of service is guaranteed by 99% uptime and data backups from a world-class “hardened” facility capable of remaining operational through the worst of natural disasters.
- Extended and Mobile Access - Secure VPN connectivity for satellite offices and a mobile workforce.



## About SolArc, Inc.

SolArc is an innovative, market-focused software company that dramatically improves the performance of commodity-intensive businesses. Since 1991, SolArc has built a strong customer reference base with industry leading companies, such as Tyson Foods, ConocoPhillips, Chevron, Merrill Lynch and Southwest Airlines.

SolArc ensures total customer trust with successful implementations and dedicated employees with years of commodity management experience and a thorough understanding of business objectives.

Headquartered in Houston, SolArc also has offices in Tulsa, Oklahoma, London and Singapore.

For more information on SolArc, visit [www.solarc.com](http://www.solarc.com).

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ENTERPRISE TRADE MANAGEMENT

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