Fuel Oil Contractor October 2011

Tank cleaning Fuel polishing Distributors – weathered but not beaten



Get ready for winter now!

Exocet Anti-Wax

Remember 2010 - don't get caught out with waxing diesel again this year. Prepare early and dose your fuel with Exocet Anti Wax from October onwards. Don't forget, prevention is the only way!



Exocet Anti-Bug

Continue to use Exocet Anti-Bug at maintenance dose levels to avoid 'the diesel bug'.



Exocet **Fuel Store Plus**

Combat the accelerated ageing effects of biodiesel - assumed to be present in all diesel and gas oil - and add Exocet Fuel Store Plus to fuel left in storage over the winter either in bulk or in the vehicle tank. Also helps to inhibit bug growth and ease starting for the 2012 season.



Exocet Gas Oil Extra

Ideally Exocet Gas Oil Extra is now being used as matter of course to upgrade gas oil (red diesel) and improve vehicle operability.



Exocet Marine Fuel Conditioner

Putting your boat away for winter? As well as being a great operational fuel treatment, Exocet Marine Fuel Conditioner contains fuel preservatives to help with the closed season. So if you've been using it during the summer or not, a shot of additive now will work wonders. Also an excellent additive for continuing commercial marine operations.



Contact your fuel supplier or machinery specialist.

Fuel Quality & Additive Experts

Fuel Additive Science Technologies Ltd. Unit 29 Atcham Business Park, Shrewsbury, Shropshire SY4 4UG Office: +44 (0) 1743 761415 Fax: +44 (0) 1743 761075 www.fastexocet.co.uk For more information please e-mail info@fastexocet.co.uk

Exocet Premium Heating Oil Additive

Thinking of getting your heating oil tank for ready for winter? Don't forget the Exocet Premium Heating Oil Additive for a cleaner, more efficient and trouble-free boiler operation.







Manx Petroleums, a Shell distributor for 58 years, has a brand new look. Now working independently of Shell, Manx Petroleums has served customers in the Isle of Man for over 85 years. Find out about this distributor's island life in the November issue.

01565 653283

mail@fueloilnews.co.uk www.fueloilnews.co.uk

News Desk / Editor Jane Hughes jane@fueloilnews.co.uk

The Irish Column Peter Clayton peter@fueloilnews.co.uk

Features Liz Boardman liz@fueloilnews.co.uk

Legal Matters, Health & Safety, Environmental Issues Ann Butler ann@fueloilnews.co.uk

Trade and Technical Peter Clayton peter@fueloilnews.co.uk

Advertising Jonathan Hibbert jonathan@fueloilnews.co.uk

Subscriptions

Sandra Curties sandra@andpublishing.co.uk Annual subscription for the UK & Republic of Ireland is priced at £92 or €109 inc. p&p. Overseas: £109 or €129. Back issues: £8 per copy.

Credit card payments 01565 653283

Published by

Ashley & Dumville Publishing Ltd, Caledonian House, Tatton Street, Knutsford, Cheshire WA16 6AG



FuelOilNeur

The monthly magazine for the fuel distribution, storage and marketing industry in the UK and Ireland.

EDITORIAL

Price sensitive

"It seemed that suppliers could charge as much as they liked, especially around Christmas when it was so cold," commented one heating oil customer in a national newspaper earlier this year. Whether oil, gas, electricity, coal or wood – the cost of heating a home this winter is certainly going to be higher than the last.

Energy minister, Chris Huhne has got his eye on the 'predatory pricing' of energy companies. DECC has had its eye on the off-grid market since the Sunday Times wrote about heating oil suppliers ripping off pensioners last December.

Fired up by the aforementioned newspaper articles, misleading price comparison websites, a prosecution in Wales and with recent acquisitions meaning that around a third of the heating oil market is now controlled by one company, customers will be wary of the pricing activities of all suppliers.

Consumers are already concerned about their ability to pay increased energy costs says Gillian Guy, chief executive at Citizens Advice. "We saw a 78 % increase in hits to our website this July, from people looking for advice on how to save money on their energy bills, compared with a year ago," she says.

A chilly autumn will be followed by another big freeze with the first snow even possible this month say some weather forecasters. If such predictions come to fruition, customers and suppliers will be feeling the price pain both sooner and longer.

Set this amid fears for the economy. "The economic outlook for Europe is likely to turn increasingly bleak, as policy makers struggle to meet on common ground," said David Song, currency analyst at DailyFX – and we could be in for a tricky winter.

Perhaps emerging energy markets will offer a better deal? Not so says a Which? investigation which reports 'dodgy sales tactics' and 'poor advice' are already afflicting the growing solar PV market. No matter where and what energy a consumer turns to, there will be those seeking to make a fast buck. Best do your homework first.

regulars

Industry News 4-6 Distributor News 10-13 Distributors' Diary 16-17 Terminals & Storage 25

features

Logistics 26 Trade & Technical 27 What's Happening 28 Legal 29 Portland Prices Round-up 30

8-9	12-13
The wholesale market – Harvest Energy	Distributors – weathered but not beaten
14-15, 18-21	22-24
Tank cleaning / Fuel polishing	Irish Focus

Fuel Oil News is sold solely on condition that:

(1) No part of the publication is reproduced in any form or by any means electronic, mechanical, photocopying or otherwise, without a prior written agreement with the publisher. (2) The magazine will not be circulated outside the company / organisation at the address to which it is delivered, without a prior written agreement with Ashley & Dumville Publishing Ltd. The publishers gratefully acknowledge the support of those firms whose advertisements appear throughout this publication. As a reciprocal gesture we have pleasure in drawing the attention of our readers to their announcements. It is necessary however for it to be made clear that, whilst every care has been taken in compiling this publication and the statements it contains, the publishers

ers 201

cannot accept responsibility for any inaccuracies, or the products or services advertised.

Industry News – new events, appointments and projects

In brief

• BP is looking for 'highly capable' people with proven technical skills studying a second degree. The 40 postgraduates with potential to become senior leaders will 'shape the future' of its refining and marketing businesses and information technology function. Iain Conn, chief executive for refining and marketing said: "By 2030, the world will

by 2030, the world will consume 40 % more energy than it does today. We're committed to supplying the increasing demand for energy safely, responsibly and efficiently." Apply at www.bp.com/flp before the end of November.

• Total is expected to merge its refining division with its chemical business. It is predicted that its marketing business, which runs petrol stations in France and elsewhere in the world, will remain as a separate division. www.total.com



 Philippe Guys (above) has been appointed managing director of Aberdeen-based Total E&P UK, one of the largest operators on the UK **Continental Shelf. Formerly** managing director of Total E&P Qatar, Phillippe, who has also held senior posts in China, Indonesia and Venezuela, said: "It promises to be a busy few years ahead with our Laggan-Tormore project in full swing, our West Franklin 2 and Islay developments underway and an active drilling programme ongoing."

Speaking at last month's Offshore Europe Conference in Aberdeen, energy minister, Charles Hendry highlighted the continued importance of the North Sea to the UK's economic prosperity. He declared the UK's oil and gas industry open for new business and announced two major developments in the UK Continental Shelf – consent for Chevron's Aberlour well. a deepwater exporation well off the west and north of Shetland, which will use the hi-tech drilling ship the Stena Carron. Approval of BP's field development plan for Kinnoull was also given; connected to the company's Andrew platform it will produce up to 45,000 barrels of oil a day.

BP is aware of the claims ٠ filed against the company on 1 September 2011 by Halliburton. The company is now reviewing the contents of the claims and until this is complete cannot comment in detail. However, BP believes this lawsuit is the latest attempt by Halliburton to divert attention from its role in the Deepwater Horizon incident and its failure to meet its responsibilities, and to deflect all blame to BP. BP will vigorously contest the claims should they come to court. www.bp.com

• Joan MacNaughton CB HonFEI, senior vice president – power and environment policies, Alstom Power, has been appointed the new Energy Institute president for 2011-2013.

• The Energy Institute in collaboration with DNV (Det Norske Veritas), has published new guidance to help nonspecialists manage human factors analysis of safety critical tasks. Guidance on human factors safety critical task analysis costs £20 (hard copy) or download a FREE PDF at www.energypublishing.org



Fuel Oil News editor, Jane Hughes (5th from left) visits ET Solar in Nanjing. According to Platts figures, China's August oil demand - an average of 8.98 million barrels a day dipped to the lowest daily average in 10 months. due to 'a weak economic outlook'

• Network and develop new business contacts at the **TankBank Trader's Evening.** Aimed at business managers in the oil and chemical sector, logistics professionals and commodity traders, the first TankBank Trader's Evening takes place on **Thursday 20th October** at the Trafalgar Hotel in London with food and drinks served

from 6pm till 10pm. joe@Tankbank.com

• Also on 20th October is the China Petroleum Summit Conference 2011. Held in Beijing, the conference offers a 'rare and valuable opportunity to gain an insight into China's petroleum and LNG markets and to meet representatives of China's oil & gas, refining and petrochemical industries'. www.cpcia.org.cn

• The 2012 Fuel Distribution Forum will be returning to the Tivoli Victoria Hotel in the Algarve on 20-21 June. Distributors wishing to attend should contact Fiona Horan on fiona@openroomevents.com whilst suppliers should contact Emma Faure on emma@openroomevents.com

• From October 1st, the Environment Agency takes on an additional role as the government's delivery body in England to help business, industry, local government and the wider public sector adapt to climate change. The role includes overseeing the programme to improve the nation's resilience to climate change. www.environmentagency.gov.uk/adaptation

• The recently published Sustainable Business 2011: Reflecting on Progress report says Britain's companies are failing to meet the challenge of climate change. Despite encouraging progress in many areas, it finds that UK plc is "nowhere near the path" to achieving government targets for an 80% cut in greenhouse gas emissions by 2050. www.endsreport.com/reports/

• A biomass fuelled power station is to be constructed at Holyhead, Anglesey. The plant will generate 299 MW of electricity, enough to power approximately 300,000 homes – equivalent to around a quarter of the homes in Wales. It will employ around 100 full-time personnel when operational.

• "The energy revolution must begin in the home," says David Smith, chief executive of Energy Networks Association: "Customers hold the key to our energy future. We need our consumers to use energy more constructively, and to do that we need to make it easier for them." www.energynetworks.org

Fortnightly news updates on email every month

Assessing Argus

Members of the West Midland Distributors Association (WMPDA) recently visited price assessment provider, Argus Media. Hosted by business development manager, Maryline Vuillerod, the visit included a tour, a Q&A session and a presentation by Chris Judge, senior products editor. WMPDA chairman, Duncan Grant said: "The purpose of the visit was to gain a better understanding of how Argus operates and to determine the practicality of using Argus to commercial advantage. Argus has an excellent product which is distinctive from Platts. A few members are to be given access to the new Argus Fuel Tracker product – it will be interesting to make comparisons with other price assessment publishers over a period of time."



L-R Sarah Facey, Nolan Oils, Mark Mackenzie, Nolan Oils, Steve Davis, Midland Fuel Oil Supplies, Maryline Vuillerod, Argus, Mark Nolan, Nolan Oils, Duncan Grant, Pace Fuelcare, Tyson Barker, BD Fuels, Judith Stoddard, Stoddards, Paul Doherty, Rix Petroleum, Neil Bradford, Argus

Group comment

66

Buying groups are all good news for the customer, but not for the supplier," says Ron Berry, Burnbright Fuels, in response to recent articles on the subject. A group's organiser rings around – usually tells a load of bull about other suppliers' prices – and eventually gets the lowest price. The 'lucky' supplier then probably delivers 30 to 100,000 litres for next to nothing.

During last winter's bad weather, we had numerous calls from members of the local buying group asking for our help when they'd run out of oil. We did mention that if they'd been among our regular local customers we would have certainly supplied but – being a wicked old sod -- all were told to stick to the supplier selected by their group's organiser. We made an exception for OAPs, even supplying some with three or four 25 litre containers to get them out of immediate trouble.

Fuel Oil News welcomes your opinion to jane@fueloilnews.co.uk



Live oil prices. On your desktop.

MabaLIVE – the new online fuel purchasing service from Mabanaft

MabaLIVE allows you to make informed purchasing decisions with:

Live spot prices Price trending graphs Instant ordering

It's easy to use and can be personalised for your own needs.



SIMPLY. BETTER

For further information call 0207 802 3300 or email info@mabalive.com

Industry News

Just one year old, but already a strong voice for the downstream oil sector...

Teresa Sayers, DFA's chief executive, explains the role and rapid success of the industry's alliance

Formerly known as AUKOI – the Association of United Kingdom Oil Independents – the Downstream Fuel Association (DFA) was rebranded just over a year ago to reflect its broader membership base. The association now represents an impressive group of fuel importers, biofuel producers and retailers with a significant market share of the UK road fuels, heating and biofuels market



independents have become increasingly vital to the supply of fuels to the UK

our members have made substantial investments in infrastructure and opened up new points of ingress to shore up the resilience of supply.

Having a mix of companies can lead for some "interesting" debates but remains a strength of the association, explained Teresa. "Looking at how policy impacts across the breadth of the distribution chain is important," she said.

Investing in the future

"The DFA is clear that the UK needs a stable policy framework, with mid to long term trajectories to provide greater certainty over the regulatory requirements firms will have to meet. Without this, it will be increasingly difficult to attract the investment needed for the continued health of the industry. These investments are needed to enhance infrastructure, storage capacity and pay for new technologies as we seek to develop the fuels for the future.

"The industry also needs to ensure that the transposition of EU law into the UK does not disadvantage UK firms with their European and international counterparts and is implemented in as pragmatic a way as possible. Both are areas where the DFA membership is keen to be involved.

"With biofuels expected to continue to play a key role in the government's commitment to cut carbon emissions, 2012 will see obligated firms having to meet mandatory sustainability criteria and reporting requirements under the Renewable Energy Directive and the related Fuel Quality Directive. DFA member companies have been at the forefront of the development of sustainable and innovative solutions for biofuels in the UK, and they remain committed to driving up standards.

Compulsory stock holding

"We are also encouraged to see the UK move a step closer to the establishment of an industry led compulsory stock holding entity. This will be a significant undertaking, but one that has industry wide support. We will continue to work closely with DECC and other industry stakeholders to help shape the UK's stocking mechanism for the future."

Summing up the first year of the DFA – and her own first anniversary as chief executive – Teresa said: "From a personal perspective, this year has gone with incredible speed and it has been a steep learning curve. I have lost count of the number of EU directives I have read and the number of acronyms that I have had to get my head around! The industry is much more complex than outsiders realise and is a challenging environment in which to do business. There is still much to do and to learn, and I look forward to the challenges next year will bring."

www.downsteamfuel.org.uk



Teresa Sayers with Federico Cellurale, DFA's policy and research analyst

With a new chief executive at its helm, Teresa Sayers, the association has gone from strength to strength, steadily increasing its membership. Members include Co-Operative Group, GB Oils, Greenergy, Harvest Energy, Mabanaft, Maxol, Morrisons, Prax Petroleum, Sainsbury's, Tesco, and World Fuel Services.

"But it's not just about a new logo and office," Teresa Sayers told Fuel Oil News. "The DFA is committed to providing a strong voice for its members operating within the downstream arena; an environment of tight margins, increasing regulatory burden and continuous scrutiny from government, consumer and pressure groups.



committed to providing a strong voice for members who are an integral part of the downstream fuel market

Strengthening our position

"Its voice is one that deserves to be heard, given that our members are an integral part of the downstream fuel market. Their position, if current market restructuring continues, is set to strengthen. As the UK's indigenous production and refining capacity is increasingly out of step with consumer demand, the role of independents has become increasingly vital to the supply of fuels to the UK. Over the last decade

the UK's BGGEST exhibition for the oil and renewable energy market comes to Manchester in 2012

Destined to become the leading exhibition of its type for **energy installers** and **technicians**,

The Oil & Renewable Energy Show Manchester Central

WEDNESDAY OCT 2012



is to be held at MANCHESTER CENTRAL CONVENTION COMPLEX 17th & 18th October 2012

SHØW

For all enquiries regarding exhibiting or marketing opportunities surrounding the event, please call the events sales team on 01565 653 283

The wholesale market

Change, challenge and opportunity at Harvest Energy

Harvest Energy, which has been operating in the UK as a supplier, blender and marketer of road fuels since 1995, has an annual turnover in excess of $\pounds 3.5$ billion

Formerly known as Futura Petroleum, the company was acquired in December 2007 by a group of investors including Island Capital and ION Equity which also owns Topaz Energy.*

Making the most of opportunity

Fuel Oil News recently met with Simon Davis, head of sales and logistics at Harvest Energy. Simon, who joined the company in 2005 with responsibility for the retail, commercial and logistics teams, said: "Over the past 6 years, the whole economics of this industry and its market have changed. With change, comes opportunity and we're actively looking at areas which enable us to plug gaps."

The Harvest Energy operation employs over 70 people and consists of logistics, trading, shipping operations, sales, finance, IT, HR and risk. The company manages its risk position and hedges on a daily basis.

"We're a lean, customerfocused independent wholesaler which continues to grow and diversify. Working in a commodity market, a company must be fleet of foot to survive, responding to opportunities when we see them. For example, new legislation such as the Fuel Quality Directive and Renewable Energy Directive – challenge the industry but also provide us with some exciting opportunities. "As majors continue to disappear from downstream and refiners change. Working from a lower cost base, I believe these new refiners will be more competitive which has got to be good news for distributors."

Fuel Oil News asked Simon if more newcomers could be expected to enter the wholesale arena. "I'd be surprised if there is room for more independents nationwide but there may be an opportunity for some regional activity depending on how the new merchant refiners act."

Stocks and supplies

"As an independent, our strength is that we can adapt much more quickly to change. We constantly review our business. For example, we revisit the possibility of supplying kerosene every year but ensuring a consistent supply poses a problem. Last year, poor weather and increased demand for heating oil gave distributors a double whammy - it really was the perfect storm. In such a competitive market, a company must be very, very sure of what it's doing; margins are very thin – get it wrong and money is easily lost."

"Our contract customers want the right price and quality plus on time delivery. With diesel supply representing 60% of our business, our service was hardly hampered by last winter's weather conditions. We



rarely have stocking out issues; I believe, we're one of the better players at delivering exactly what and when we promise." Despite the market being heavily affected by recession, Harvest Energy's sales volumes are up.

Extending storage options

Harvest Energy supplies fuel from north of Inverness at Tain down to Penzance.

"Storage is key as it enables you to control your own destiny," said Simon. Harvest has an annual storage capacity of 300 million litres with key sites across the country as well product exchange agreements with major oil companies.

A new terminal being built in the port of Amsterdam will soon enhance capacity. In a venture with the North Sea Group BV - the Hydrocarbon Hotel – will come on stream in December. Simon explained: "This is a new to industry tank facility with a capacity of 140,000m3 which can accept product from large sea-going tankers. The project, which is on time and on budget, will give us the facility to sublet and to export blended product to the UK."

Serving blue chip clients Harvest supplies more than 10% of the UK's motor fuel --- and is a prime fuel supplier to the supermarkets; Morrisons and Asda being just two of its blue chip clients. DHL, Wincanton and Turners are among logistics/ haulage customers whilst First, Arriva and Stagecoach are some of its bus company customers.

Harvest Energy also supplies fuels to more than 60 councils. "Tendering is hard work but the work offers good regular volumes," Simon said.

"Specification changes in gas oil have driven growth for us. The whole gas oil market is very interesting. It was never in anyone's interest to add FAME but we're addressing its challenges; we see potential with distributors in gas oil and intend to broaden our portfolio in this area."

Expanding retail

As majors pull back from retail, Harvest is rapidly extending its presence. Over 50 sites now carry the Harvest brand with contracts in place for another 27 sites. "At the beginning of last year, we had just 9 branded sites, very soon we'll have over 70," Simon reported.

The company recently announced a 5-year supply/ branding agreement with the 16 forecourt Cornwall Garage Group. Owner John Murray

October 2011



said: "I like their people and I particularly like their enthusiasm. They're going to do well and we'll do well working with them."

"We have a long term commitment and strategy for retail," added Simon. "We want to grow our retail operation to cover as much of the UK as possible; for example the Cornwall Group agreement

takes us further into the West Country."

Running more tankers

The company's logistics – three and half billion litres of fuel are delivered annually – are handled by the Suttons Group which operates 36 trucks on its behalf. Harvest controls its vehicle scheduling and planning in-house. The fleet includes

tankers specially designed by GRW Engineering, which are 8-foot shorter and slightly taller than the norm, allowing larger vehicles to access tighter locations. (See page 5 FON July). Rigid vehicles are used to service much of the council business.

Controlling biofuel quality Looking to the future, Harvest place for another 27 sites

has invested in a 250,000 metric tonnes biofuels plant at Seal Sands on Teesside. "The plant gives us a competitive advantage as we can control the quality of our supply – fundamental in biofuel production." The company is also involved in a project being taken forward by the University of Durham to develop biofuels feedstock from algae.



SALES SUPPORT REPRESENTATIVE

London

A leading wholesale fuels specialist based in central London is looking for a Sales Support Representative to join its existing commercial aviation team

Your main duties will be to support three sales executives who manage airlines in diverse international geographies. You will be required to manage customer and back office interface and to provide organisational discipline in order to free up sales executives to develop new business with assigned accounts. The role will be office based working closely with other departments and team members within the commercial aviation team. Previous experience in aviation or the travel industry would be preferred.

The ideal candidate will demonstrate a dedicated and enthusiastic approach to their work and will be adept at solving problems, processing sales leads and monitoring correspondence between the sales team and their customers. Excellent communication skills are required along with the ability to co-ordinate and liaise effectively with internal departments

> For a confidential discussion please contact John Surtees on 01565 626754 iohn@oilrecruitment.co.uk

Oil Recruitment is a specialist search and selection company in fuel sales, distribution and logistics. www.oilrecruitment.co.uk





MARTYN GENT

Call: +44 (0) 1226 742441 martyngent@cameron-forecourt.co.uk www.cameron-forecourt.co.uk

October 2011

Cutting-edge technology for Carrs Billington

IFC Inflow has joined forces with tank gauging and terminal automation company, MHT Technology, to provide a programme of depot upgrades and new site builds for Carrs Billington Agriculture

Through the acquisition of established companies, and by using its own animal feed agricultural supply centres, Carrs Billington is providing a fuel supply service for southern Scotland and north west England. The first depot to receive the makeover was Dumfries based Wallace Johnson Oils, quickly followed by Carrs own Langwathby feed mill.

During 2010 the upgrade programme began with a new site build at the company's Lancaster feed mill, and the installation of tank gauging at the Scottish Dunragit and Carlisle sites. Several other sites are destined for similar treatment during 2011/12. In each project, Carrs Billington has worked closely with specialist contractors to come up with a turnkey package.

The turnkey package

- preliminary site planning and all necessary local planning and services approval
- detailed architectural and tank farm planning to ensure the most efficient vehicle movement for each site
- supply of all required groundwork and new or upgraded storage tanks
- supply of a loading skid, supporting pipework and electrical installation
- installation of boundary fencing and floodlighting
- supply of a suitable central tanker delivery point with a built-in overspill alarm system
- supply of a computer interface programme, controlling and reporting stock movement and storage levels both at depot and central levels

Heart of the system

Each depot has been fitted with a stateof-the-art IFC Inflow electronic three-arm bottom loading skid, and the heart of the system is an electronic batch controller, which not only controls each meter, but provides the interface with the MHT depot automation software package.

A particular advantage of this unit is its security touch key and PIN system designed to prevent fraudulent loading, says Greg Clarke, IFC Inflow project manager. "For Carrs Billington, who wanted complete stock management and high levels of security, this was the only way to go," he



says. "Along with IFC's own Acu-Flow accurate and highly repeatable flow meters and automated flow control valves, each skid comes complete with IFC's 445 series bottom loading arms and Fort Vale manual API couplers. The frame and pipework are manufactured to IFC's proven design, pressure tested, and then surface treated to offer the best long-term corrosion resistance. The parts are then assembled and wired to complete the package. The complete skid is then factory tested with a new calibration and pumping test rig."

MHT's remit included the selection, installation and commissioning of suitable level gauges, and the supply and configuration of the tank inventory system for all sites, including integrated truck loading automation software for all sites other than Dunragit.

The level gauging and tank inventory management systems provide Carrs Billington with real-time accurate data on physical stocks, together with a remote access capability so one site can view the data of all other sites. At any time of day, the system provides information about the physical stock, storage capacity and ullage space for each of their depots.



Secure and controlled process

The truck loading automation system is designed to offer a secure and controlled process. Each load has to be authorised and validated with the correct security credentials before loading can commence. The process also ensures that the correct truck compartments are loaded and that each compartment cannot be overfilled. A comprehensive bill of lading is provided for each vehicle, detailing the information of each transaction. All transactions are then captured in a database and can be viewed, printed and analysed at any time.

Each system is provided with a stock management and reconciliation package, allowing all receipts, withdrawals and returns to be reconciled with physical stocks.

Comprehensive management information reports are provided per depot, allowing Carrs Billington to optimise logistics and control liquid assets efficiently and accurately.

Greg Clarke added: "I am proud of the work we've done for Carrs. It has also given us the chance to work more closely with MHT whose product is a perfect match for our electronic skids and the Contrec batch controller."

"Carrs are undergoing quite a comprehensive programme of depot upgrades and I needed a team who understood the market and had a solid reputation for tanker loading and depot systems," Nigel Hillyer, group engineer of Carrs Billington fuels division told Fuel Oil News. "IFC and MHT fit that bill and have delivered professional and excellent service throughout!"

Record profits and renewables

Countrywide has posted record operating profits for the fourth consecutive year with revenues from its energy business recording a 12% increase to £52.1m



"We recently launched a major new venture that enhances the company's position in the UK renewable energy sector," said chief executive, John Hardman. "Countrywide Renewable Energy, created through our acquisition of 7Y Energy, delivers a full range of renewable energy options from photovoltaic panels to biomass boilers. Launched at the Royal Welsh Show in July, it will enable our customers to invest in renewable energy projects, from conception to completion, utilising available Feed-In Tariffs and Renewable Heat Incentives."

Commenting on the future Mr Hardman added: "After record operating profits in 2011 we're aiming to improve our performance again in 2012. The economic outlook generally is tougher than ever before as customers start to feel the pressure of the difficult economic conditions, in particular the impact of measures taken by the government to reduce the public deficit, which has yet to take full effect."

www.countrywidefarmers.co.uk



www.facebook.com/ cwfonline



www.twitter.com/ cwfonline

OTS aids Oil4Wales expansion

Oil 4 Wales has set itself an ambitious target of a \pm 60m turnover in its first year of trading. This new independent (FON April page 18) is already serving over 7000 customers – domestic, retail forecourts, agricultural and business fleet operators – across the southern and western counties of Wales



"The plan is coming together," says founder Colin Owens, formerly of Owen Fuels. "The company is building up a chain of branded retail forecourts and has signed its first distribution deal for 8 petrol stations across South Wales. And we've completed our first major strategic investment with the setting up of a £350,000 regional distribution depot alongside the Nant-y-caws filling station on the A48, near to Carmarthen."

Building the Nant-y-caws depot

"The depot was a logical step as the distribution area has expanded from the refinery at Milford Haven," explains Colin. Based on three bulk storage tanks for diesel, gas oil and



We're very happy to endorse OTS for expertise and customer service



Colin Owens, founder and managing director of Oil 4 Wales, is delighted with OTS' work at the Nant-y-caws depot

kerosene, depot facilities were installed by Oil Tank Supplies (OTS). The work was completed under a turnkey contract covering planning, civil works, surface drainage, security and loading facilities.

"The depot has improved the efficiency of our logistics as we've reduced operating costs by rationalising vehicle movements from the refinery. This allows us to support our growing customer base throughout South Wales and, as a hub, we're well placed to continue growth throughout the west of Wales and up to Llandeilo, Lampeter and Aberystwyth." Customers are serviced by a fleet of 10 short wheelbase tankers and a large capacity articulated unit for bulk deliveries.

"Having decided to build the depot, we approached a number of business contacts in the oil industry and OTS was recommended. They had excellent credentials for maintenance work and we were very impressed with their understanding of our requirement," continues Colin. "The deciding factor was a competitive price, and now the project – operational and compliant with all industry regulations - is completed we're very happy to endorse OTS for expertise and customer service."

Further expansion and another project for OTS

OTS has now been commissioned to supply and install a further storage tank for a new 24-hour truck-stop development currently being built at Cardiff docks. (See FON's email newsletter 18th August for details of Oil 4 Wales's joint venture with Dragon Rescue). www.oil4wales.co.uk

For more news from OTS see pages 15 and 20.

www.fueloilnews.co.uk | 11

Weathered but not beaten

In October 2009, as recession gripped the country, Fuel Oil News spoke to distributors about its effects. Two years on, we have reviewed the situation – by tightening credit control and concentrating on good customer service, distributors continue to weather a storm which has yet to abate



The recession article published in October 2009

Scotland – tighter

In FON's 2009 review, Scotland reported a noticeable drop in orders. Updating us this year, Simon Cullen, managing director **Associated Agricultural Oils**, said: "Whether the end user is domestic, commercial or agricultural, the price of oil has increased and that's had an effect in many ways. We've had to adapt – with everybody now regarded as a risk, we're now much tighter on credit control."

"Gleaner Oils continues to put in a strong performance in what remains an intriguing sales environment," says managing director, David Todd. "Like many others, we felt the cold blast of recession in some markets and, we continue to keep a close watch on customers' payments. If there have been any improvements, they're fragmented at best. I think there's a general feeling that confidence has yet to return, however, there are always opportunities out there – no matter what the market is doing."

North east - stronger

The North east was extremely quiet in 2009, but business has picked up says Derek Wallace, director, **Wallace Oils**: "After an extremely busy winter we've experienced strong sales throughout the summer. In July, we opened a new wet depot at Hexham in Northumberland and, this month we will establish a new fuel depot in West Cumbria. With reorganisation and integration at some fuel suppliers plus a subsequent reduction of vehicles, we anticipate another hectic winter – weather permitting."

It's a similar story at **Rix**, according to marketing manager, James Brook: "The Rix Group is very strong. We have low debt levels and as such have little exposure to market dips, making us ideally placed to weather the storm."

"We've been quite lucky as the majority of our customers are domestic rather than commercial so we haven't been affected by the downturn in road transport.," says John Roberts, director at **White Rose Fuels**. "The biggest problem for us is the rising cost of crude oil – that's definitely resulted in customers ordering less."

North west - challenged

"2011 has been a challenging year of rising fuel prices and people cutting costs but we have a recession strategy here and it's working," reports Lesley Eland, **Cooke Fuels'** sales and marketing director. "Earlier this year we made some significant changes to the business and are seeing some great results. As a family run business that's 165 years old, we've learned a thing or two about the fuel business and we've seen out our fair share of recessions. We treat our customers well and ensure that we listen to their needs and change accordingly."

Tony Mowbray's strategy at Manchester-based **Express Fuels and Lubricants** is also working. "Turnover has steadily increased and we're finding that it's just above what it was before the recession. Happy days."

At **Caldo Oils** in Merseyside, managing director, Mike Scott told FON: "In the early months of recession when people realised that the earth hadn't stopped spinning, things carried on much as normal. Now after more than two years, people are cutting back by turning down the heating or leaving the car at home. Business is tough; we'd better get used to it – once people have learned to do without, it's the devil's own job to change their habits!"

Wales - cash strapped

Colin Owens launched **Oil 4 Wales** in September 2010. "Although in the midst of recession, I felt that current economic circumstances mirrored those in the Lawson recession of 1991 when I started Owen Fuels; that venture proved to be very successful. This time has been no different; flexibility, multi-tasking, team spirit and hard work has proved to be a winning formula as before and we're very busy. We've never really come out of the recession and cash is still extremely tight – I think it will continue for a long time yet."

David Edwards, **Wynnstay Fuels** agrees: "We've felt the recession and have had to come to terms with the fact that customers have cut their cloth to suit their pockets. As a smaller independent company, we try to stick to old- fashioned values. We advise customers, we ensure we deliver when we say we will and that the price quoted is the price paid. We keep going, we do the best we can to gain customer loyalty and longevity and – we pray for another cold winter."

Midlands – slower

"I think this is the quietest summer we've ever had," remarked Val Cooke of Birmingham-based **Cookes Fuels**. "Others are cutting prices so low that we're having trouble meeting them. Customers look for the cheapest price they can get – not realising how difficult it is to get fuel in winter – thank goodness for loyal customers. Although we've been with our largest supplier for 20 years, they think we can manage on the credit limit we had five years ago. As a result, we're always running out of credit and to encourage customers to pay on delivery, we have to give a cheaper price."

South west - rewards

Good service and reliability are values that are paying dividends says Kevin Bennetts, owner of **Consols Oils**: "December 2010 may be etched in our collective memories as a hard month but, it was a particularly good one for us. My fantastic team delivered a record volume of kerosene in testing conditions. It sorted the men from the boys and vindicated our heavy investment in new trucks. We were doubly fortunate in that we'd a highly reliable supply of kerosene on our doorstep, at Falmouth terminal, where World Fuel Services really went the extra mile to keep the stock coming in.

"We resisted the temptation to take advantage of a seller's market by raising our usual selling prices and were able to assist many new customers let down by others. These actions translated into a very good summer with volumes well above normal expectations. It proves, once again, that good service and consistent transparent pricing produce greater rewards than the twin follies of margin slashing and overcharging; both of which have damaged our industry's reputation and culminated in the current OFT investigation."

South east - uncertainty

"With continued economic uncertainty, volatility and a reduction in oil consumption, 2011 has been a particularly tough year," said Stephen Rhodes, marketing manager at **Mabanaft**. "Environmental factors have played a part; extremely mild temperatures during the first quarter contributed to kerosene demand falling by 20% compared to the same period last year. Rising oil prices have placed added pressures on both customers and suppliers in respect to credit lines and liquidity. Unfortunately, the outlook remains much the same for the rest of 2011; emphasis must be on keeping costs and operations under tight control and continuing to deliver customer value and loyalty."

"Things are picking up," says Ron Berry, owner of **Burnbright Fuels** in Kent. "But, customers who used to order 1500 or 1000 litres now order just 500 litres and that includes our wealthier customers! This costs us more – more deliveries of smaller amounts – it's a sign of the times. Some larger firms add a premium for orders of less than 1000 litres but we wouldn't do that to our customers; a lot are elderly and can't afford to pay extra."

Ireland – pinched

In 2009 the recession was having a massive impact on **Belfast and Down Oil Supplies**. "Unfortunately, there seems to be very little recovery," said business partner, Laura Gilpin. "Customers are very careful with spending -home heating oil seems to be one of life's luxuries nowadays. Rather than turn on the heating at home, we've heard of customers who walk around shopping malls. Customers who would normally have 3 x 900 litre fills per year are making do with two or three 500 litre deliveries. A common request is for a 200 litre delivery!

"The market place in Northern Ireland is flooded with oil distributors all trying to hold onto their customer base and rightly so. Having to continually match low prices quoted by a competitor or comparison website has caused a spiral downwards in the market and with high road diesel costs, it's not just the customers that are feeling the pinch!"

Read the views of more Irish distributors on page 22.

Are we out of the woods yet? Fuel Oil News welcomes your views – email liz@fueloilnews.co.uk

INTRODUCING A REVOLUTIONARY NEW HOME HEATING OIL PRICE COMPARISON WEBSITE

• Free to use

- Simple to manage
- Low commission rates
- Proudly independent



Gain more deliveries in your local area. Call Karen on 01622 687729 or log on today to set up your account. www.sprintfuels.com



October 2011

Are your tanks bugged by contamination?

The presence of water in a fuel tank is not a new problem, but in light of recent fuel specification changes, controlling water content is now even more critical

Biofuels have been proven to significantly accelerate bug growth in tanks and the presence of water only serves to encourage this. Left untreated, bacterial contamination can cause significant damage to vehicle engines and other machinery, resulting in costly downtime. Fuel Oil News has spoken to the industry's top tank cleaning and fuel polishing specialists to get advice on both preventing and treating microbial contamination. All agree good housekeeping is key.

On the following pages, FON also takes a look at some of the most innovative products on the market today.

New guidance

Following consultation with oil tank manufacturers and regional environmental agencies, **OFTEC** is currently finalising new guidance on safe and appropriate methods of cleaning and decommissioning oil tanks. The new guidance sets out practical advice highlighting safety, licensing, transport and waste management obligations. **www.oftec.org**

Preventative maintenance



On site fuel polishing with Adler and Allan

Last year **Adler and Allan**'s fuel forums raised the issue of microbial and water contamination in stored fuel. "Since then we've assisted a number of new and existing customers with preventative maintenance programmes, rapidly turning around test samples and, where necessary, performing tank and pipeline cleaning and fuel polishing," says group sales and marketing manager, Alan Scrafton.

"With expert help from E&S Environmental, and Dr Philip Nathan's testing lab, we've developed a highly effective way of quickly identifying and dealing with all types of fuel contamination. Each case differs but the overriding factor for customers having little or no problem with contaminated fuel, has been the implementation of a good housekeeping programme. We recommend regular testing of fuel samples – at least every three months. With bases around the UK, we can react to issues quickly, often attending site next day." See page 19. www.adlerandallan.co.uk

Cleaner diesel | Corrosion

The new Agriepure system from **Agriemach** enables the in-situ cleaning and purification of diesel. "Our system's 100% effective at removing water, dirt, sludge and rust," says Agriemach's David Kallmann. "By using an additional biocide treatment, bacteria growth can also be removed. Cleaning diesel with our system ensures that damage to engine components will be eliminated."

Easy to operate, the system can be left unattended, with only occasional monitoring. Water and contaminants are separated by first passing the diesel through a two micron water separating filter. The diesel is then spun creating centrifugal force, forcing water and dirt into a bowl at the bottom of the chamber, which is then released while the system continues to operate.

Agriemach supplies three systems, 25, 35 and 52 litres per minute, all with a twoyear manufacturer's warranty. www.agriemach.com



Agriemach's System 1 cleans 25 litres of diesel per minute

Corrosion prevention

"There are two main enemies to consider when dealing with the percentage of biofuel in petrol and diesel – the biofuel itself, and water," says Richard Quarmby, business development director, Brulines Fuel Solutions. "The simplest precaution is to have all tanks and lines pressure tested regularly to identify any breaches where fuel can leak out and water can get in. Many customers guard against biofuel's corrosive by lining new steel tanks with our corrosion resistant tank lining system, which prevents problems developing. Our fuel analysis service provides a detailed report on ISO cleanliness, the presence of water and bacterial growth, as well as an overall fuel quality précis." See page 31. www.brulinesfuelsolutions.com



Above ground tank with double skin lining





Ensure your fuel storage equipment continues to deliver high quality product - implement an active fuel hygiene strategy.

OTS TankCare provides planned preventative maintenance for existing fuel storage facilities.

These cover:

- Site inspections, fuel test and action plans for achieving optimum fuel quality.
- Live Monitoring of tank contamination levels.
- Fuel quality test kits.
- Mobile Fuel cleansing service.
- Non toxic treatment for dewatering and cleansing.
- Retro-fit storage tanks with self cleansing package an active countermeasure to recycle and filter tank contents on a pre-programmed cycle.
- The supply of self cleansing storage tank solutions.

Visit: www.TankCare.eu.com or Call: 01386 853409

Fuel storage with integral cleansing system to prevent build up of microbial contamination



BioTank

Microbial contamination in fuels is a growing threat affecting the reliability of transport operations on surface, marine and aviation, as well as civil amenities, agriculture and logistics. Basically it is the sludge/water that forms around fittings and in the bottom of fuel storage tanks which encourages the growth of micro-organisms that feed off the fuel stock.

If this contamination proceeds unchecked it will lead to clogged filters and a reduction in the quality of the fuel. Eventually of course, this build up will stop the flow of fuel causing disruption and loss of productivity and may cause engine problems. The highest risk fuel storage is standby generator tanks interruption gas contract fuel storage tanks where the fuel can sit for many months or even years.

Visit: www.OilTankSupplies.co.uk or Call: 01386 853409

Tell Wildcat your news 01565 653283 mail@fueloilnews.co.uk

Distributors'

A family drama

Carrie Marsh of Marsh Fuels is certainly making the most of her maternity leave. (April FON page 38). Carrie is secretary of the Kennet Amateur Theatrical Society (KATS), which recently put on *Don't Forget Your Gas Masks*, a 1940s review. Carrie, husband, Dave and twin girls, Hermione and Sophia, all took part in the show, which raised £2000 for Help For Heroes, Beer for the Boys and the British Royal Legion. Pilot officer, Adam King-Adams from Beer for the Boys attended the final performance to explain how the money raised would be used.



(I-r) Carrie and Dave, Adam King-Adams, Mike and Mandy Cole

Coasting along



Mike (centre) at Hartside Summit with fellow cyclists

Touchstar Technologies' business account manager, Mike Smith, recently completed a gruelling cycle ride to help fund research into neuroblastoma, an aggressive childhood cancer. Cheered on by family and friends, Mike's coast to coast challenge – steep climbs and heavy rain – took two days to complete. Mike's challenge was in memory of Imogen Bates who lost her battle with neuroblastoma earlier this year: "Climbing Hartside Hill, with my three-year old daughter waiting at the top, made me realise just how lucky I am. The challenge lasted two days for me – for Imogen it lasted three years with no happy ending."

www.justgiving.com/Imogen-Mia-Bates/9/





Fuelling the Future

We are one of the largest independent oil importers in the UK.

Benefit from our keen prices, give yourselves a competitive edge by using our exclusive facilities at Dagenham, Essex. Either collect ex rack or alternatively we can deliver to your depot.

We supply Diesel, Kerosene, Gasoil 10ppm and Gasoil 0.1% and can offer you a variety of pricing options from price triggers to fixed prices either weekly, monthly or annually.

We are also an authorised supplier into the Keyfuels and UK Fuels bunker networks.

Please contact our sales team on: 01932 843354

Prax House, Horizon Business Village, 1 Brooklands Road, Weybridge, Surrey KT13 0TJ. UK Tel: + (44) 1932 843354 Fax: + (44) 1932 842013 Email: info@praxpetroleum.com www.praxpetroleum.com

Diary by Wildcat

Fuelling customers

School House Farm knows it can depend on Cooke Fuels to keep them on the road – especially after winning 500 litres of free fuel. The beef and arable farm near Wakefield is run by the Bulmer family – the most recent winner of Cooke's free fuel prize draw. "We've been using Cooke Fuels for around five years now and this win means a lot to us," said Joanne Bulmer. "We operate some big tractors so 500 litres will help keep them on the road for a few days."

Cooke Fuels has a Burnley Bondholder, a networking scheme to promote local businesses. "Every time a Cooke Fuels tanker is on the road we're taking the Burnley name with us. We're delighted to play a key role in the region's growth and prosperity," says sales and marketing director, Lesley Eland.



Charity test drive

Gordon Harfield of Kent-based GH Engineering took part in the Great British Charity Test Drive which saw a fleet of 30 MG6s touring the UK to raise funds for Macmillan Cancer Support and Help for Heroes. For every MG6 test drive that took place up to the end of last month, MG donated £5 to one of the chosen charities. Everyone taking a test drive also received a 2-4-112 month pass to a Great British Day Out.





A nationwide company, with 20 years experience offering a safe pair of hands for all your OFTEC tank service needs.

Langlands Business Park, Uffculme, Devon, EX15 3DA www.lcmenvironmental.com



Tank cleaning / Fuel polishing

Water removal

"With increased levels of FAME, the presence of water in a fuel tank, cannot be ignored," says Joe Ferrara, **Centre Tank Services**' sales director.

"As a cost effective way of keeping water presence to a minimum, all fuel tanks should have some form of water absorber – such as our Tank Dryer – and a good quality water filter fitted in the line." Tank Dryer is a simple cloth covered rod that is attached to a cord which sits in the bottom of a tank, limiting the amount of water at the interface between sludge and fuel. "Its clever design, incorporating silica gel, means that it attracts and absorbs water, reducing the risk of fuel contamination and bug formation," adds Joe.

The company also offers the PIUSI Filtroll, a mobile filtering unit that provides both water and particle protection in a compact and easy to use product. www.centretank.com



Tank Dryer – an easy way to reduce fuel contamination – from Centre Tank Services

FREE – booklet and tests

Diesel Bug – the Basics is a brand new FREE booklet. It provides a simple, no-nonsense introduction to diesel microbial contamination and is available as a hard copy or free download at www.conidia.com/about-us/ conidia-overview-flip-book.html.

Conidia Bioscience, inventors and manufacturers of the 10 minute test detecting microbial contamination, also has a well-resourced website for anyone wishing to delve deeper into the world of bugs. Its 10 minute FUELSTAT test is easy to read, requires no special skills or equipment and provides accurate levels of organisms contaminating the fuel. FREE FUELSTAT tests are available in return for case studies detailing

18 | www.fueloilnews.co.uk

recent encounters with the diesel bug. www.conidia.com



Delve deeper into the world of bugs with Conidia

Eradicate with biocide

"Bacteria in fuel can easily reproduce before dying and sinking to the bottom of the tank, causing a huge amount of damage to tank and pipework," says John Davis, managing director of **Cyrus Energy**. "A reliable biocide such as Cyrus Energy's **Eradicate** fuel biocide is recommended. It not only kills bacteria but can also be applied to fuel on a preventive basis."

Cyrus reports a rise in bug related problems in oil-fired heating systems, bunkered fuel and forecourts. The company also provides treatments – Cyrus Marine, Cyrus Fleet and



Prevent contaminated fuel caps with a biocide

HOT – which disperse water in storage tanks containing hydrocarbon fuel, eliminating conditions that allow microbes to grow and reducing corrosion. See page 16. www.cyrus-energy.co.uk

FREE 10-point plan

DP Fuel Tank Services has a FREE 10-point plan on its website to advise on the best ways to deal with the clogging problems associated with biofuels.

"We decided to set out a commonsense approach, based on our own experience and research," explains director Nigel Plumb. "Operators need to keep as much water out of tanks as possible by ensuring they're clean and keeping them clean. Tanks can also be lined with a smooth fibreglass lining, that's not subject to corrosion – such services are available from our associate, RPM. Fuel polishing can help, but it's completely



An operative prepares to enter and clean a gas freed below ground tank

pointless paying to have fuel put through this process, only to return it to a dirty tank." www.dptanks.co.uk

FAST assistance

Fuel Additive Science Technologies (FAST) markets three additive products with application to tank cleaning and fuel polishing. Firstly, Exocet Anti Bug, a widelyrecognised fuel biocide used as part of the tank cleaning process to eliminate fuel bugs and as a remediation additive for contaminated fuel. Exocet Fuel Store is used once a tank has been cleaned and refilled to inhibit further problems caused by deposit build-up, the formation of lacquers on tank walls and microbial growth. And finally, Exocet Demulsifier which can be used as part of the polishing process to remove water haze from fuel. See page 2. www.fastexocet.co.uk

Cleanliness cuts costs

"We've designed and built fuel filtration systems to combat problems for both small and large-scale users," says Filtertechnik director, Mike Benzies. **Filtertechnik**'s Fuel Filter Cabinet easily fits onto the side of a tank, allowing fuel to filter through various stages to eliminate diesel bugs, water and other harmful contamination.



High volume mobile filtration skids deliver the highest grade filtration for fuel quality down to one micron and less then 50ppm moisture. "Keeping fuel and storage units clean and dry will not only prevent filter blockage and engine damage but also expensive tank and pipework replacement as a result of acid corrosion," added Mike.

www.filtertechnik.co.uk

Online hygiene

Hytek has launched www. fuelhygiene.com to give advice and offer solutions on how to limit microbial growth. Advice includes checking regularly for water with water-finding paste, fitting filters to remove particles and water and re-circulating fuel.

The company's fuel storage tank re-circulation (FM.RK) kit prevents the degradation of fuel. Fuel passes through a fuel conditioner to prevent microbial growth and is automatically re-circulated 1.5 times every 28 days. When the pump flow rate drops below a preset limit, indicating a clogged filter, the flow switch closes and a flashing light shows. Sales director, Andy Seal, remarked: "We've seen a huge increase in sales of our particle and water block filter, with customers asking for better filtration from the traditional 30 micron filtration down to 10 micron, particularly in the agricultural and plant sectors." See below. www.hytekgb.com

Circulate and prevent degradation of fuel with Hytek's FM.RK kit



Leading experts in tank cleaning

The Fuel Filter Cabinet from

Filtertechnik

Adler and Allan have a highly experienced team who can look after your tank cleaning and maintenance needs anywhere in the UK, including 24 hour emergencies.

Speed, service and environmental integrity



www.adlerandallan.co.uk



For Your Free Information Pack, Call 01279 815 600 Quoting 'FON FH10' HYTEK (GB) LIMITED, Delta House, Green Street, Elsenham, Bishop's Stortford CM22 6DS - UK Tel: 01279 815 600 Fax: 01279 812 978 email: info@hytekgb.com Web: www.hytekgb.com

www.fueloilnews.co.uk | 19

October 2011

Tank cleaning / Fuel polishing

OTS TankCare – active prevention

"The only way to ensure that storage equipment continues to deliver high quality product is to implement an active fuel hygiene strategy," explains **OTS** TankCare's sales manager, Darrin Francis.

"A clean tank is a good start but microbial contamination is an organic problem. Without effective countermeasures, the contamination keeps coming back. Continuous tank cleaning and fuel polishing procedures are not sufficient. "OTS TankCare provides a more scientific approach using preventative measures that inhibit the growth of microbial contamination.

For new installations

the **OTS BioTank system** incorporates filtration and innovative technology to dewater and cleanse the wetstock. See page 15.

For a fixed fee inspection/ fuel quality status report go to www.oiltanksupplies.co.uk



Good fuel hygiene with OTS TankCare

microbial growth. On removing

tank lids, we were instructed to

uplift and hold the fuel whilst

cleaning was carried out. With tanks thoroughly cleaned,

"This is a typical example

problems were sorted.

of projects handled by the

company. Our package gives

customers the peace of mind

that tanks and fuels are clean

and microbial and water free

vehicles." See opposite.

www.lisgroup.co.uk

and that fuel is conditioned prior

to entering tanks and customer

Any size cleaning

Using its portable TC-1000 fuel transfer and cleaning system, Glasgow-based **Merkland Tanks** removes water, sludge and sediments that naturally accumulate in tanks, cleaning and restoring fuel to a usable condition. "By cleaning a tank internally it's possible to assess the level of sludge and/or contamination and to ensure it's completely cleaned," explains managing director, Robbie Horne. "Whilst cleaning, tanks are inspected to ensure they're not pitted or corroded and that plates are fit for use. We clean everything from small 1000 litre waste oil tanks to large terminal storage tanks – above ground, underground or contained within buildings and, where access is restricted, we can still work without entering the tank. www.merkland.net



System improvements

Working alongside a specialist company, Terence Barker has developed a cost effective system to minimise tank problems. "We recommend treating fuel with biocide then cleaning the tank and fuel to remove dead bugs, sediment and water," explains marketing manager, Jacquie Holt. "Plus installing our fixed cleaning system keeps fuel free from conditions that enable bugs to grow. Fitted to the tank, our fuel polishing system continuously filters the fuel."

"One customer operates an extremely sensitive site with back-up generators for emergency power. Fuel was tested, cleaned through our



Terence Barker's new fuel polishing system

mobile system and returned to tank. Whilst the initial sample contained high levels (180.96pg/ ml) of adenosine triphosphate, subsequent tests, taken a month after system installation, showed a marked improvement at 47.45pg/ml." www.tbtanks.co.uk

L.I.S. – a total solution

"One of our customers was having severe problems with pump filters clogging up," said Clive Drake, commercial director at the **L.I.S. Group**, which provides a total fuel solutions package.

"Over a few months, engineers visited the customer's sites to clear filters on numerous occasions. When problems continued, fuel samples were taken for testing at our Haydock laboratory; the tests proved that there was a problem with



Before and after cleaning by the L.I.S. Group

FRUSTRATED JUGGLING WITH YOUR FUEL PROBLEMS?



Blocked Pump Filters



Storage Tank Contamination

Microbial Activity





Vehicle Breakdowns



Environmental Compliances

CONTACT US; WE HAVE THE SOLUTION...



01942 722244 24 hours a day, 7 days a week

www.lisgroup.co.uk





Fail to plan, plan to fail!

Last winter's weather conditions throughout the island of Ireland were unprecedented with sudden and long-lasting frozen spells – accompanied by thick snow and treacherous road conditions. In the thick of it – literally – were home heating fuel distributors who struggled, but in most cases doggedly persevered to provide a lifeline for customers in some of the most remote and wild locations

"This year, we're getting better prepared," says Patrick Doherty, director of Doherty Oils which operates a fleet of five oil delivery tankers, distributing fuel throughout the Tyrone and Fermanagh areas.

"If we've learned any lessons from last year, it would be to have all of our trucks psv'd and well maintained.

"We've also decided to put our own 40 foot lorry on the road to haul fuel direct from the terminals," he explains. "We have an excellent haulier – Lisburn-based Pettrans – who bring 95% of our fuel at the moment, but in the busy period even they find it very difficult to care for all customers, as any haulier would.

Competitive prices

"We've installed two extra 55,000 litre kerosene tanks and have just got permission to store our own petrol underground, so that we can supply the local filling stations direct from our depot in Omagh. This is all at a cost, so we're hoping for another winter like last year!" he adds. "But our strong relationship with a range of major oil suppliers ensures customers consistently receive highly competitive prices." Big or small, all fuel distributors throughout Ireland learned important lessons from last year's experience. Topaz – with the largest network of home heating oil distributors in the country, and a fleet of more than 250 tankers - is no exception.

October 2011

The company is incorporating many of those lessons into its strategic planning for the 2011/2012 winter period. Marketing activity 22 | www.fueloilnews.co.uk



Putting its energy into winter preparations – Doherty Oils offers oil, coal, firewood and fuels for portable gas/paraffin heaters

will focus around reminding people to order early, and the company's product offering has diversified to cater for both the worsening economic and weather climates.

Topaz Thermal is a premium home heating oil with a special additive to reduce boiler breakdowns and provide 11 days longer per year from the oil. Emergency 20 litre drums are being made available to purchase from company depots, and small delivery amounts will be available.

"Last winter's weather conditions called for some very timely and crucial response measures from the Topaz Local Fuels team," Adrian Gallagher, Topaz home heat business manager, told Fuel Oil News. "Many customers did not realise that their oil tanks were so low and the increased demand during the cold snaps put pressure on oil companies, meaning many people had to endure the harsh cold while they waited for delivery."

Priority attention

However, the company's sales team realised that some circumstances needed more immediate attention than others. At the time of order, each customer was therefore asked about their level of need, and deliveries were scheduled based upon this information. Pregnant women, people with disabilities, and houses with older people and small children were given priority. Others were asked to wait no longer than 48 hours. For those who had to wait, the Topaz team delivered drums of 20-50 litres to tide them over until full delivery could be made. Priority was also given to organisations who deliver essential services to keep the country running in spite of the weather, such as the army, defence forces and the Dublin Airport Authority.

The company's 'needbased' scheduling policy certainly came into play when the Dublin Airport Authority reported that their snow ploughs had run out of fuel, and unless delivery could be made within a few hours, the airport would be forced to close. Even though Topaz Local Fuels were fully booked for 48 hours, they quickly identified and rescheduled non-urgent customers and delivery was made to Dublin Airport within an hour.

Back at Doherty's; alongside its traditional fuel distribution service, the company is also planning to expand its coal and firewood business, which, says Patrick Doherty, proved profitable last year. "As one of the most progressive fuel distributors in the North West of Ireland, we've made our contingency plans for another winter of freezing conditions, and are ready for anything that's thrown at us!"



software for business

+353(0)404 67164 or 1890 22 44 88 sales @ herbst.ie

Herbst

Cows, tractors and Lambe's

Lambe's Oil, which celebrated its 40th anniversary this year (FON July page 9), took a stand at the Tullamore national livestock and agricultural show in August

"The show takes place just a stone's throw from our headquarters and is always a highlight on the calendar in this part of Ireland," said Rita Lambe, who took over the management of Lambe's Oil in 2002; her husband, Enda Kelly, is operations manager.

"My late father, Gussie Lambe, first exhibited at the show in 1992. We exhibit because it's an important local event – and the second biggest in the country, next to the ploughing championships.

As we are celebrating 40 years in business, this year's show provided us with a great opportunity to meet and greet customers who've been loyal to us over the years. We put huge effort into our display stand and had our new Scania P320 on show which looked very impressive. It's always important for our local team to work together and meet customers on a regular basis. The show helped raise awareness for the company locally."

This year, the Tullamore show celebrated its 20th anniversary and attracted more than 60,000 visitors. In addition to hundreds of exhibition stands from trade, agricultural and retail suppliers, the show offers a full programme of events and entertainment for all age groups.

Crowds gather on the Lambe's Oil exhibition stand where the distributor's new tanker was on display

CARBERY Fuel Station

Carbery's Fuel Station Bunded tank and factory installed pump and automatic nozzle is specifically designed to satisfy the fuel storage requirements of agricultural, commercial and

industrial Diesel users.

It comes complete with a weather proof, lockable cabinet which houses the pump, hose, filter & nozzle and light for safety and security. Carbery Fuel Stations are regulatory compliant and bring the benefits of filling up at a forecourt to your business, farm yard, or site.

www.carberyplastics.com

NEW RANGE 1350 Litre 2500 Litre 6000 Litre

Stockists Required

Carbery Plastics, Clonakilty Enterprise Park, Clonakilty, Co Cork, Ireland Tel:00353 (0)23 8833531 Fax: 00353 (0)23 8834368 Email: info@carberyplastics.ie





The future of Irish logistics

by Aidan Flynn, newly-appointed general manager, business services, FTA Ireland

FTA Ireland was established in July 2010 as a membership trade association for the Irish freight and logistics industry. Its aim is to be the undisputed voice of the supply chain in Ireland and is committed to working with members, industry and government partners to assist in developing a highly innovative, efficient, competitive and sustainable freight and logistics industry to support the Irish economy.

My role is to provide business services and support to assist members in attaining these high levels of efficiency and competitiveness, and, in turn, to ensure legal compliance, not only for their operations in Ireland, but also throughout Europe.

With the support and resources of FTA in the UK, FTA Ireland can provide bespoke training and consultancy services for its members. Those services include driver assessments and training, tachograph training, analysis, and auditing services, and *Driver CPC training – along with access to Shopfta, the one-stop-shop for all transport-related consumables, including a comprehensive range of tachograph and safety products. Our training programmes are designed to ensure that they assist members in meeting their legal requirements, under transport and safety regulations. Our aim is to offer members a viable service that is easily accessible and that they are confident in.

The business services and membership teams will be working closely together to develop FTA Ireland's profile and membership. There is an appetite for compliance that was lacking a number of years back, and with the introduction of the Driver CPC, there is a growing awareness that operators must promote ongoing training.

Consequently, compliance with health and safety and tachograph regulations are key areas that we will be focusing on. Irrespective of the difficult financial circumstances companies find themselves in, there is now more of an understanding that dealing effectively with compliance issues in these areas will improve efficiency, ultimately feeding into the bottom line of the business. From our perspective we plan to communicate that message whenever



possible and give our members every assistance we can in the day-to-day running of their transport operations... so that Ireland has a freight and logistics industry to be proud of. www.ftai.ie

Editor's Note: *Drivers must undergo 35 hours of Driver CPC training over a five year period, on a one-day-peryear basis. FTA Ireland currently has two training centres registered in Dublin, with plans to go nationwide by January 2012.

Fixed penalties

The Driver & Vehicle Agency (DVA) is now the single organisation responsible for licensing and testing vehicles and drivers in Northern Ireland. It brings together the Driver & Vehicle Licensing Northern Ireland (DVLNI) and the Driver & Vehicle and Testing Agency (DVTA)

The organisation has declared its intention to take a firm approach in tackling road safety, especially in the case of vehicles found to be operating with mechanical defects, overloading or drivers hours infringements. DVA will soon be empowered through new legislation to issue a fixed penalty to the driver at the roadside.

DVA has also developed a range of new sanctions to be taken against the operator or owner of vehicles found to be operating illegally. The final parts of this legislation are expected to be completed soon.

O-licence reform

The complete Northern Ireland O-licensing function will be delegated to the VOSA central licensing office in Leeds as from spring 2012

VOSA will initially issue temporary permits to an estimated 7,500 "own account" operators, and will gradually issue full O-licences during an estimated three-year period to ensure an even spread over each month, so as to avoid peak demand at renewal times. The permit will be issued only when the applicant has given the necessary undertakings required to fulfil the usual O-licence obligations, as is currently required in Great Britain.

The centralisation and management of O-licences in Leeds will fulfil the need to comply with EU regulation 1071/2009, requiring the UK to have a comprehensive database for all road freight operators and transport managers.

Tom Wilson, FTA's head of policy for Northern Ireland, commented: "The introduction of O-licensing will improve the overall safety standards of all commercial vehicles on Northern Ireland's roads by improving vehicle maintenance and driver behaviour. Whilst there are many high quality, safe and compliant Northern Ireland operators, unfortunately the EU league table statistics indicate that our road safety record in Europe is very concerning, and road safety is not something we can afford to ignore."



Academy meets demand for specialist joint courses

The Academy of Joint Integrity has reported a significant increase in the number of enquiries about its range of specialist courses.

In the UK, the academy has facilities in Aberdeen, Teesside, Humberside, and Cleckheaton, West Yorkshire. Globally it operates in the US, Australia, New Zealand, Malaysia, South Africa, Nigeria, Thailand, China, the Middle East and Kazakhstan.

The academy is an Energy Institute approved training provider, and has recently seen considerable interest for its accredited training courses covering joint integrity and flange management processes – underlining the importance of certified bolted joint assemblers.

The organisation is headed up by Gary Milne, who is also the manager for the global client training division of the FDS Group, and has extensive experience and an in-depth knowledge of the joint sealing industry, together with joint integrity products and services. "Welders are able to train and become certified to industry standards, but, until now, bolted joint assemblers didn't have the same opportunity," he says.

Training courses are offered at the academy's own facilities or at the client's premises, utilising specialist mobile training rigs and equipment.

www.academyofjointintegrity.com



01829 261517 www.haartztankerrental.co.uk

Simon's safety culture recognised by RoSPA

Exemplary personal and process safety performance has won Simon Storage a raft of awards in the 2011 RoSPA Annual Safety Awards. Simon's Immingham East and West terminals each won an order of distinction, presented after no less than 15 consecutive gold awards, while Simon Management, Simon Riverside, Seal Sands and Tyne terminals all received a president's award, after having each won at least 10 consecutive gold awards.

Fuel Tankers of all sizes

hire or sale Modern LEZ Simon Storage – committed to improving safety standards in the storage sector still further



The abundance of awards reflects the success of Simon's internal safety initiatives, such as the "TAKE 2" mini-risk assessment programme, and the company's contribution to external groups, including the Process Safety Leadership Group and Process Safety Forum, set up to drive the process safety management performance agenda by facilitating sharing and learning across industry sectors.

TAKE 2 minutes to make sure you do every job safely, every time

Since its launch in August 2008, Simon's "TAKE 2" safety drive – "TAKE 2 minutes to make sure you do every job safely, every time" - continues to effect improvements in safety performance across the company's network. To keep the message fresh and interesting, Simon's safety, health and environmental officer, Alan Dixon, has introduced a new series of promotions, focusing on different safety topics.

Commenting on the awards, Simon's managing director, Martyn Lyons – who is also chairman of the Tank Storage Association – said the company and all its employees were delighted. "The awards acknowledge Simon's high standards in occupational health and safety management and our ongoing commitment to promoting a positive safety culture at every level of the business," he said. "At its own facilities, Simon will continue to pursue health and safety standards above and beyond industry regulations and recommendations. Furthermore, we remain committed to working with representatives from inside and outside of the storage sector to improve personal and process safety standards still further." www.simonstorage.com

Fuel Oil News always welcomes news of safety initiatives to assist the terminals and storage industry, please email peter@fueloilnews.co.uk.



Logistics News

Speed debate

Navman Wireless has opened a discussion on its blog about the coalition government's proposal to increase the motorway speed limit to 80mph. Comment is invited from customers and fleet managers

To date 68 % of participants have voted in favour of the increase, welcoming the potential for enhanced productivity and customer service that a faster speed limit could bring. However, the issue is far from clear-cut, with individuals raising concerns over fuel costs, safety and the environment. Lively debate is well underway on the poll's comment board.

Truck only lanes?

One blogger commented:" The majority of car drivers will benefit from a higher speed limit by moving more swiftly to their destination, creating more space for trucks to maintain their limited speed. When trucks get hindered by slow drivers there's always congestion, so it might be more advisable to have truck-only lanes. Higher speeds will undoubtedly burn more fuel but so does constant stopping and starting or slowing down and rapidly accelerating." Find the poll at www.navmanwireless.co.uk/blog

Cut January's duty increase

Freight operators paid out an additional £1.3 billion on fuel in the last year. The 12 pence per litre (ppl) rise in the cost of diesel (exc. VAT) – from 99.29ppl in July 2010 to 111.21ppl in July 2011 – has meant that the typical annual cost of fuelling a 44 tonne truck has spiralled by £5,700

In March Fair Fuel UK campaigners won some muchneeded breathing space for logistics companies, influencing the government to defer its planned one penny above inflation fuel duty hike. This, along with an additional one ppl reduction in fuel duty, effectively saved the sector around £625 million in tax alone.

With the cost of fuel having risen steadily over the last twelve months and a fuel duty rise of over 3ppl looming in January, hauliers are again feeling anxious.

James Hookham, FTA's managing director of policy and communications, said: "Diesel is not an optional extra for commercial vehicle operators and the result of more fuel tax rises will be either destruction of companies or increased prices for customers. The government could help by deferring the duty increases planned for January and making further cuts now."



"The government could help by deferring the duty increases" says James Hookham

Operator trials new product

Created in October 2010 following the merger of Global Transport Solutions and Onsite Automotive, Onsite Transport Solutions specialises in equipment to enhance vehicle safety and security and employs its own engineers

"We've just launched a Vehicle Driver Recorder that's high definition, has Google e-map, built-in sound, and records all situations while driving," business development manager, Rotha McNulty told FON: "This new product is currently being evaluated by two major fleet operators. Our proximity system to reduce rear end damage is being evaluated by a major oil company; if successful, the system will be installed in its fleet. All systems are ADR compliant, E-marked and comply with ISO 9000:2000. Robust and reliable, they enable the driver to manoeuvre with full confidence. "We have a selection of proximity aids and cameras available, including a side camera that fits on the front near side of the cab, providing visual coverage for a notorious



(I-r) Rotha with Christine Blackburn, office manager, at the company's Leyland premises

blind spot," added Rotha. "We've recently installed a camera system on the trailer of a well-known Manchester based orchestra. A large supermarket is already finding this product invaluable for reversing vehicles in difficult areas." www.ots.uk.com



GET READY FOR WINTER

PETROL, OIL & ADR TANKS AVAILABLE FOR IMMEDIATE HIRE

COMPETITIVE RATES

October 2011



Ian McArdle Sales Engineer Williams Tanker Services 0113 2897 990 07710 807 393 i.mcardle@williamsts.com www.williamsts.com

Trade & Technical

Latest Sound from Alpeco

Launched earlier this year, Alpeco's TE550 Checkmate MK II metering system with LC Sound has an ultrasonic air sensor that continuously checks for air or gas in the fuel. When air is detected, LC Sound signals the system to slow or momentarily stop the flow of fuel, until the air has been evacuated through the air release. On completion, LC Sound signals the TE550 to continue delivery.

Measuring Instruments Directive (MID) approved, LC Sound is compact, fitted directly to the inlet of the truck meter, and electronically interfaced with the TE550, whilst entrained air is evacuated through a standard LC Air release. Incorporating advanced software, the system can handle up to 7 different products and has additive injection, fully automated temperature compensation, and precise electronic flow and pressure control, all housed in a redesigned cabinet.

Temperature compensation is a big issue, as liquid fuels expand and contract as the temperature changes. The accurate delivery of product, regardless of temperature, has long been a problem within the industry. The TE550 addresses this issue, and deals with temperature differentiation automatically. Industry critical National Measurement Office/MID system approvals for the system have been fully amended for the new version, which can also handle a minimum delivery volume of 150 litres. Contamination, another major and often costly problem has also been addressed, as has traceability, which is critical given the spiraling cost of oil-based products. www.alpeco.co.uk



Alpeco's NEW LC sound ultrasonic air sensor fitted to the NEW MF400 meter system

Introducing the AMEMBER OF THE FLOWMAX GROUP MF range of truck metering solutions

Multifunctional MF400 and MF800 system options include:

- Metered uplift
- Additive injection
- Temperature compensation
- Remote control
- Dry line delivery
- Hose reel and bulk hose delivery options
- iMeter tracking and data transfer
- LC SOUND Electronic gas detection
- LC M7 & M15 Flow meters for optimum accuracy
- CHECKMATE control module incorporating TE550 electronic register – total system control

t 01296 619510 | f 01296 619519 | www.alpeco.co.uk Alpeco Limited | 66-69 Rabans Close | Aylesbury | Bucks HP19 8RS

SO MUCH MORE THAN YOUR AVERAGE METER SYSTEM

Swan Petroleum Ltd

What's Happening and Where?

Energy Institute

East Midlands

Engineering the Olympic Park, 30 November, The Albert Hall Conference Centre, Nottingham, 19.30 - 21.00 e.wetton@ntlworld.com

North Eastern

Advances in variable speed drives and high efficiency motors, 20 October, Newcastle University, Newcastle-upon-Tyne

Christmas Party, 2 December, Holiday Inn, Newcastle-upon-Tyne william.snaith@blueyonder.co.uk



energy solutions

Efficient | Sustainable | Renewable 11-12 October 2011, London Olympia

Energy Solutions 2011 11-12 October, London Olympia

Supported by the Carbon Trust, the Department of Energy and Climate Change, the Environment Agency, Carbon Clear and the Major Energy Users Council, Energy Solutions is dedicated to energy management, procurement and onsite renewables. www.energysolutionsexpo.co.uk



FREIGHT TRANSPORT ASSOCIATION

The Freight Transport Association **Transport Manager Seminars**

The challenge of high fuel prices, extreme winter weather and some big changes to operator licensing and CPC training, means it has never been more important for transport managers to take control and be prepared.

Belfast	11 October
Dublin	13 October
Cambridge	19 October

ADR Refresher Grangemouth 19 October www.fta.co.uk Tel: 08717 11 22 22

Brake

Pledge2DriveSafely driver safety workshops

Sheffield	11 October			
London	18 October			

To register contact admin@brake.org.uk





Mandev International has been developing software for the fuel distribution industry since 1987. Our in depth knowledge of the industry combined with expert technical insight has helped our customers reach their goals and exploit todays technology.

IDAS V9 is a comprehensive management package developed with our customers.

Standard Features:	Optional Modules:			
Order Processing Active Credit Management Customer Management Sales Prospecting	Customer Care Signalman Integr Credit Card Payr			

- Sales Analysis
- Sales Ledger
- Stock Managment Top-up Generation
- RDCO Logging and Returns
 Gas and Coal Processing
- PDF Printing
- **CSV** File Generation for all Reports
- User Settings and Security Multiple Company Databases

Tel: 01733233400 Email: sales@mandev.com

ration

- ayments
- Direct Debit Payments
- Heating Services
- Webservices and Website integration
- PDF Invoice and
- Statement E-mailing
- Fuel Bunkering
- Order Routing
- Tank Maintenance

www.mandev.com

ABS warning lamps Fire fighting

The Vehicle and Operator Services Agency (VOSA) has implemented changes to its roadside enforcement policy for ABS warning lamps

The changes follow Freight Transport Association (FTA) proposals to downgrade its response to situations where a yellow ABS warning lamp comes on during a journey. Construction and use regulations permit a vehicle to continue with its journey or be taken to a repair centre, if the warning lamp illuminates during a journey, at the start of which, the system was fully functioning.

FTA negotiated with the Department for Transport and VOSA, who agreed to downgrade enforcement sanction policy to an inspection notice, where there is available evidence of an ABS warning lamp coming on during a journey.

In response to this, VOSA issued staff with amemo of enforcement outlining the revised procedure, which involves examiners seeking evidence from the driver that the defect occurred en route. If drivers present evidence at the time of examination, indicating that the defect occurred en route, and that appropriate action has been taken and documented, then VOSA will downgrade to issuing an inspection notice. www.fta.co.uk

foam

EU legislation came into effect in June, banning fire fighting foam concentrates containing Perfluorooctane Sulfonates (PFOS). This bioaccumulative and non-biodegradable impurity, found



in the Electro Chemical Fluorination (ECF) process, produces potentially toxic fluorosurfactant compounds.

Although guidance is provided by the EU, overall responsibility for enforcing the ban falls to central and local governments. Organisations from the tank storage and facilities management sectors also have a responsibility to implement the changes and comply with the ban, even in the absence of legislative guidance.

"Meeting the ban's requirements requires a review of the installation and storage practices for foam agents," says Thierry Moinet, sales director foam and foam hardware EMEA, Tyco Fire Protection Products. "Alongside identification and disposal of known foam stocks contaminated with PFOS, rigorous cleaning of key components is vital. However, this may not be sufficient, as porous material within tanks and pipelines can contaminate the replacement non-PFOS-based foam. Using accredited laboratory testing, companies such as Tyco can identify contamination before issuing a report from an official external laboratory. If PFOS is detected, Tyco can provide technical assistance on foam replacement, pipe and the disposal of contaminated foam and components. www.tyco-fsbp.com

DON'T LEAVE IT TO CHANCE - BE SURE TO INSURE



For a free-of-charge, non-obligatory consultation contact PAUL MARTIN on 0161 905 5514 or e-mail pmartin@reynoldsinsure.com www.reynoldsinsure.com







fuel management evolved franklinfueling.com/evo



Portland Prices Round-up

October update

There was a time when the summer months made up the quietest of all periods across the oil industry. In fact, Portland once had a boss who worked 7 days a week (including Christmas Day) from September through to July and then took the entire month of August off! Historically, the only people around in months such as August tended to be operators with chips on their shoulders (having lost the office sweep to man the desks) or office juniors with no authority to actually do anything.

So the turmoil of the last 45 days whilst not a total surprise - was nonetheless, rather a shock to the system. Holidays were cancelled left, right and centre and not just by political figures, as business leaders also, were cutting short their summer breaks and flying back to steady their respective ships. Although oil markets were not quite as jittery as equity markets (ie, share prices and share indices), August in particular was still an incredibly volatile month. On average throughout the month, the daily price of Brent crude changed by \$1.59 and to put that into some sort of context, the average change in July was \$1.08. In short, August was circa 50% more volatile than July.

The fact that prices have already recovered all of their summer losses, does

highlight the strong uncertainty in the market as to which direction prices will take in the longer term. On the one hand, a second recession (or at least a remarkably slow recovery) now seems inevitable and therefore oil prices must fall. On the other hand, the long-term prognosis for the oil markets (demand from the east outstripping supply, continued social upheaval in key producing nations, tighter fuel specifications) would suggest that prices will rise. The logical consequence of these conflicting messages is therefore price stalemate, rather than the drop in fuel prices desired by UK consumers.

Other noteworthy oil news

The approval of the 1,700 mile Keystone pipeline from Alberta to the Gulf Coast refineries, shows once again that Realpolitik, rather than ideology, drives US policy (not that we ever thought otherwise). No green administration – which Obama's claims to be - could really countenance the use and encouragement of tar sands for mass oil production (significantly higher carbon footprint, localised pollution, etc, etc). But with Asia's voracious appetite for oil, this rich source of supply on America's doorstep was in danger of escaping (via Vancouver and the Pacific) to China, rather than heading south into America. Clearly some of Canada's tar sand oil will still find a way to Chinese refineries, but in the medium-term, the pipeline will mean that

the bulk ends up in the States.

Exxon's triumphant tie-up with Rosneft is just another piece of bad news to add to the BP litany of bad news. It was after all, only in the spring of this year, that the latter's much hyped tie-up with Rosneft fell apart, amidst legal disputes with existing Russian partners and open hostility from the Putin (sorry Medvedev) government. It was not so long ago that BP's swashbuckling foreign take-overs, joint ventures and mergers were the envy of the industry, but their golden touch seems to have deserted them, coincidentally or not, since John Browne's departure. So this latest deal leaves Exxon (Esso) with plum exploration rights in one of the world's greatest oil nations, whilst Britain's biggest company is left with fragmented operations, dispirited staff and most importantly, no local friends. In truth, the reputation of BP in the 2 biggest oil producing nations on earth (USA and Russia) is extremely low and the poor share price of £3.85 – down from £6.50 over an 18 month period – reflects this situation.



Portland Fuel Price Protection www.portland-fuel-price-protection.com

Price Totem

	Trade average buying prices			Average selling prices		
	Kero	Gas oil	ULSD	Kero	Gas oil	ULSD
Platts	50.63	60.98	109.39			
Scotland	52.23	64.13	111.78	57.03	67.21	114.60
North East	52.45	63.26	111.46	56.00	65.75	114.05
North West	51.78	63.11	110.98	57.00	66.85	114.05
Midlands	52.08	63.38	111.13	56.58	66.88	113.25
South East	54.27	63.47	110.99	57.76	66.03	113.25
South West	52.85	63.76	111.23	56.69	66.76	113.75
N. Ireland	53.02	64.66	112.81	55.43	67.84	115.70
Republic of Ireland	68.09	72.87	112.67	71.57	75.85	115.29

The price totem figures are compiled from the results of a telephone survey of distributors carried out on the date shown.

Buying prices are ex-rack. Selling prices are for 1000 litres of kero, 2500 litres of gas oil and 5000 litres of ULSD (Derv in ROI).

Prices in ROI are in €. Date: 07/09/2011

The FON Price Totem includes Platts derived market data, supplied courtesy of Platts and BigOil.net.

This allows distributors to make a comparison with the average buying prices.



Trade Products & Services





Latest Xtral 728 aluminium, 43m3, 6 compartments (7.6, 7.6, 7.0, 7.6, 6.2. 7.0' 000 litres). Full BLVR, HLCO and 3", rotary vane cargo pump. BPW axles and suspensions. EBS braking system, cow latest anti-roll technology. Fully LED lighting system. Comes complete with full ADR, 1st MOT and SLP. Any inspection invited. Competitive price on application. Trade ins welcome. Contact - Terry Morgan - 01977 604 402, or 07712 871 786. e-mail terry@cobouk.co.uk

Trade Products



J8

envirotanks

FT

Freephone in UK: 0800 0087 456

t: +44 (0)115 9003 600 e: sales@filtertechnik.co.uk f: +44 (0)115 9705 597 w: www.filtertechnik.co.uk LOADTEC ENGINEERED SYSTEMS LTD sales@loadtec.co.uk +44 (0)1303 813030 www.loadtec.co.uk