Fuel Oil News

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NOVEMBER 2023

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Don't demonise fossil fuels

Greg Jackson, renewable energy advocate and CEO of Octopus Energy, the UK's second largest retail energy supplier, called for 'an honest approach to the role of fossil fuels in the energy transition' in his address to last month's Bloomberg New Energy Finance summit.

With a self-professed love of disrupting industries that under serve customers and society Greg is passionate about enhancing customer experience. Octopus is the result of his vision to build an Uber or Amazon style disruptor to create the energy system of the future and has a 'relentless' focus on customer service. The only energy company recommended by Which?, achieving the coveted status for the sixth time in a row this year, Octopus is also one of the fastest growing energy firms to ever launch in Britain.

Expanding its customer base through acquisition, in a time of unprecedented turmoil in the UK retail energy supply sector, its latest deal is the acquisition of Shell's household energy business, taking its customer base to 6.5million.

Octopus delivers 100% renewable energy through investment in wind, solar and hydro, so it came as a surprise to many to hear this passionate renewable advocate suggest he is 'relaxed' on the question of the role for fossil fuels in the energy industry.

However, exhibiting a refreshingly pragmatic approach, Greg observed: "Certain sectors are going to take a long time to electrify, so we didn't need to demonise fossil fuels at all."

Calling for similar honesty from hydrocarbon companies to find the best solution to the challenge of improving energy security while also meeting net zero targets, Greg suggested that such clarity between those driving towards renewables and those 'maintaining the wheels on the bus', will give investors the confidence to back a sector that continues to serve the needs of society, before concluding with his hope that "the sector eventually winds down".

In these pages, we continue to celebrate the significant progress of the sector towards a decarbonised energy future.

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On the cover

An Oilfast tanker on its rounds. Recently celebrating 10 years, this Motherwell-based, independent fuel supplier has gone from humble beginnings to become one of Scotland's fastest growing fuel companies. Read more on page 9.

In this issue

We are 'In Conversation' with Compass Fuel Oils on pages 10 & 11 and with The Oil Lady on pages 16 to 18. UKIFDA shares a deep dive into data on pages 19 to 26 while we consider multiple approaches to fleet cost reduction on pages 29 to 31.

Fuel distributors urged to prepare for possible fiscal marker change

UK fuel distributors must gear up for potential changes to the fiscal fuel marker system that could affect the UK from next year, according to John Hogg Technical Solutions.

A public announcement by HMRC, expected soon, will confirm how UK law will respond to reflect changes already underway in the European Union.

From 18 January 2024, companies in EU member states must comply with a directive that makes AccutraceTM Plus Fuel Marker the common fiscal marker for gas oils and kerosene in the EU. The technology chosen by the European Commission for tax rebated fuels replaces the original Euromarker, Solvent Yellow 124, with a marker meant to be more resistant to removal and less environmentally toxic.

According to HMRC sources, there are "no plans to stop using Accutrace S10 or Solvent Yellow 124 in the UK". However, as Northern Ireland is expected to comply with EU fuel marking legislation, this could influence the uptake of Accutrace Plus in the rest of the UK.

Philip Double of John Hogg said: "Any company marking fuel to a lower tax rebated level needs to be ready for this potential and imminent change to the common fiscal marker rules.

"If the UK chooses to introduce the additional marker alongside existing products, this means that fuel distributor operations will need a plan to run down stocks of the old marker product from their systems and introduce the new product. Also, testing methods will differ and involve more sophisticated detection equipment."

"With this eventuality in mind, we are currently working hard to ensure minimum disruption for companies if and when the change happens. That includes preparing and testing samples with a view to supplying a range of marker concentrates to comply with any new requirements."

John Hogg has already been supporting companies in the EU with the transition. In Germany, this has involved supplying 250,000L of the new common fiscal marker – the equivalent of three months' stock delivered in six weeks – under the company's brand name, Dyeguard®.

John Hogg was instrumental in helping the industry implement the first Euromarker in 2002 – along with the Accutrace S10 fuel marker in 2015 – and experience gained from these initiatives is being redeployed now in the EU as Philip commented: "Making such changes needs open dialogue with companies and the governing authorities to understand the requirements and to create an effective implementation plan."

"In the case of any changes that happen in the UK following HMRC's announcement in October, we will assist companies with inventory planning management and encourage UKIFDA members to contact us for support."

James Doyle, new managing director of J.R. Rix & Sons Ltd (left), with Rory Clarke (right), outgoing managing Director and now non-executive director of the business.

A new name at the top for J.R. Rix & Sons

The Hull-based family business praises the 'inspirational contribution' of outgoing Group MD, Rory Clarke, as James Doyle is announced as the new managing director.

Mr Doyle, who joined the company in 2007, takes over the top role from Rix stalwart Rory Clarke, who was been group managing director since 2017.

During his tenure, Mr Clarke has presided over the biggest period of expansion and diversification in the company's 150-year history. He will remain as a non-executive director of the business to continue supporting the Board, and to assist the next generation of the Rix family on their ongoing integration.

Inspirational

Tim Rix CBE, Chairman and Chief Executive of J.R. Rix & Sons, paid homage to Mr Clarke, who officially stepped down on October 1. He said: "Rory's story at Rix is a truly inspirational one. He arrived to establish a proper credit control department in 1991 – a gigantic job which was not for the faint-hearted.

"He took on the challenge and thrived which led to his involvement in just about every aspect of the Rix organisation, making sure we got paid."

In 2003, Mr Clarke was appointed as managing director of Rix Petroleum which he grew from a local supplier into a national business with depots from Grangemouth to the Thames, and from Norfolk across to Cheshire.

As managing director of J.R. Rix & Sons, he has been instrumental in transforming the group from a traditional family business into a diverse company involved in fuel deliveries, shipping, renewable energy, manufacturing holiday homes, and with a significant property portfolio.

Mr Rix added that the Rix business is all about the people who work in it. "Rory's story shows how it is possible to rise through the ranks and excel at the highest level," he said.

Big shoes to fill

Mr Doyle initially joined the business as managing director of Rix Shipping in 2007. In 2019, he became chief executive of Victory Leisure Homes and has worked closely with the Board in managing and developing all aspects of the wider group.

He said: "It is a source of huge personal pride to be taking over the role of managing director at J.R. Rix & Sons. I have worked alongside Rory for many years, and I have to say, his are going to be very big shoes to fill.

"I'm taking over the managing director's role at a highly prosperous point in the company's history, and much of that is due to Rory's tremendous contribution over the past 32 years."

Mr Clarke said he was sad to be stepping down as managing director, but was confident the business remained in very safe hands, commenting: "James has been actively involved in the management of the business at group level for a number of years, and is the perfect choice to succeed me.

"I'm looking forward to supporting him and the wider Board in my new role of non-executive director."

Buyer sought for Green Biofuels

A purchaser is being sought for HVO provider, Green Biofuels, after the company went into administration at the start of September.

A statement on the company's website indicates that the company entered administration 'on 2 October 2023' with Ernst & Young LLP appointed as administrators.

It confirmed that: 'The Company continues to trade to allow a purchaser to be found for its business and assets. The Company's existing staff will be working closely with a member of the administrator's team in relation to the continued provision of goods and services during this time.'

Trading continues

Responding to Fuel Oil News, Rob Joyce, Media Relations Manager for Ernst & Young LLP issued the following:

"On 2 October 2023, Lucy Winterborne, Kris Aspin and Alan Hudson of EY-Parthenon's Turnaround and Restructuring Strategy team were appointed as joint administrators of Green Biofuels Limited (GBF).

"Founded in 2013, GBF is a provider of hydrotreated vegetable oil (HVO) which is used as an alternative to diesel by customers looking to decarbonise their vehicle fleets.

"The Company has entered administration as it had insufficient funds to continue trading."

The joint administrators intend to continue to trade the business whilst they seek purchasers for the business and assets of the Company.

Interested parties should contact gbf@uk.ey.com

Certas Energy opens new depot in East Cowes

Certas Energy has underlined its commitment to powering and heating Isle of Wight homes, farms and businesses by opening a new depot in East Cowes. The opening of the depot was marked with a celebratory ribbon-cutting ceremony, attended by the company's local customers. The new depot, which brings together an expert team with a combined 90 years of experience, cements Certas Energy as the go-to fuel supplier for the Isle of Wight.

Wet depot

One of the key benefits to local people and businesses is that the depot is a wet depot. With the majority of the island being off-grid, responsive, reliable fuel supply is critical to keep homes warm and businesses moving. Thanks to the new wet depot, on-island supply and Certas Energy's five-strong tank fleet, customers can expect faster fuel delivery times than previously possible. The depot, which employs seven members of staff, currently supplies kerosene, DERV and red diesel.

Island history

Boasting over 50 years of refuelling heritage, the company has had a presence on the island since 1969. First established under the Vectis Oils brand, it changed names a number of times, with Certas Energy taking over ten years ago.

Business Account Manager Vickie Hyde, whose father Peter Grannum set up Vectis Oils, said: "We're delighted with the new depot, and it represents an important investment in the community. People living on the Isle of Wight are like one big family and, having grown up on the island, there's nothing better than knowing we're supporting local businesses, farms and residents. It was very special to welcome the local business community to the depot for our launch event, we can't wait to further build on our reputation as a trusted, local supplier and mainstay of the island community."

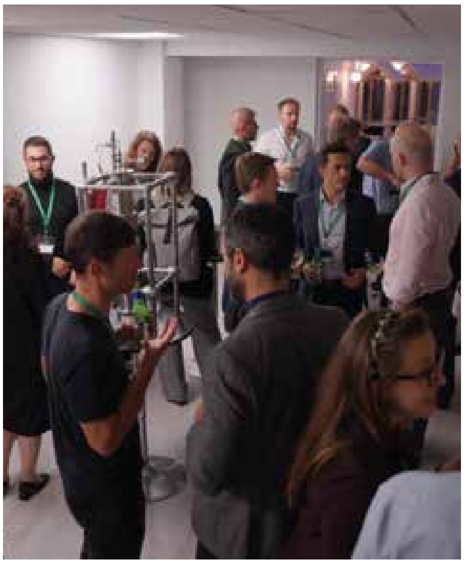
New waste-to-SAF start-up launches in London

The industry celebrates the launch of a new sustainable fuel innovation and manufacturing business.

A recent event brought together academics, investors, industry experts and government representatives to celebrate the launch of Avioxx, a sustainable fuel innovation and manufacturing business.

A partnership between Stephen J Wilkinson, CTO, and entrepreneur Chris Hancock, CEO, Avioxx uses a novel patented process to produce net zero fuel from waste plastics and other wastes that would otherwise be destined for incineration or landfill.

The event, held at the end of September in London, was described by Chris as "a celebration of six months of hard work".



A team effort

The Avioxx team is made up of professionals from diverse backgrounds in engineering, environmental science, business development, and management who are passionate about driving sustainable solutions in the aviation industry. With an ambition to manufacture 40,000,000 litres of sustainable jet fuel per year in the UK by 2027, the effort to date has been in raising capital and building a community to further progress the process and reactor that has been developed.

The company is in a development phase, but investors see the potential for a high return in such a large volume sector. Speaking at the event, investor David Innerdale said: "It's a very interesting and innovative solution and if they can scale it up it could pay off in a major way.

"It (decarbonising aviation) is a genuine problem on a very large scale. The technology that Steve and the team have developed is compelling – it's high risk but there is a potential for high return."

An ideal solution

Fuel innovation using waste materials is still in its early stages and remains an ideal. However, the use of waste with limited financial value can significantly reduce the cost of production.

Modelling enables Avioxx to gather information such as how various waste feedstocks will perform, the expected yields and the need for any green electricity. The information gathered is vital not only in the design of its process, but also in its operation, ensuring that variations in feedstock composition can be accommodated whilst meeting strict product specifications.

Turning waste into sustainable liquid fuel is seen by Adrian Redfern of the Environment Agency as "a great idea for a circular economy" while Debra Jones of Innovate UK suggests that, for long haul flight particularly, "SAF appears to be the only realistic solution for this very hard to decarbonise sector".

Chris was delighted by the mix of people at the launch and commented: "It's about building a community of supporters and third-party external validation from an investor perspective, an academic perspective, a market perspective and government perspective and it's fantastic to have our team here supporting the founding team. It really does mean a lot."

The Avioxx method uses an established engineering process to gasify waste before converting it to fuel via electrolysis and has introduced AI and machine learning to increase the process efficiency and outperform traditional methods. The challenge is an enormous one, but Avioxx is certainly ambitious and the opportunity significant.

Mark Gregory, CEO Air Salvage International, welcomes the push for a sustainable fuel solution at scale: "I don't believe in reinventing the wheel – we have some great engines, and Boeing and Airbus are developing some great aircraft, but we have a real problem with using fossil fuels.

"We don't want to change the engine type – introducing a new type of fuel we can use in existing engines will be so much better."

And Chris points out the size of the prize: "There is a 240-billion-dollar market that is about to be transformed into a sustainable market. It's really exciting."

Huge decline in North Sea oil flows for INEOS

INEOS' Forties Pipeline System (FPS) has seen North Sea oil flows decline by 40% over the last six years. As a result, the company has had to close one of its three processing plants due to lack of demand, potentially threatening hundreds of skilled jobs.

Bad news for the UK

This worrying decline is bad news for the UK, as it means that the country is becoming ever more reliant on imported oil and gas. It puts UK consumers at the mercy of foreign producers and causes massive volatility in prices, pushing yet more people into fuel poverty. The country will need UK gas as a key feedstock for future hydrogen production.

It also means that oil and gas revenues will leave the UK and go into the coffers of other countries.

The fundamental reason for this decline is the lack of investment in new fields caused by the UK Government's new windfall taxes, which are now so high there is no cash left for new production. The problem is exacerbated by the mixed messages coming from UK politicians which further undermine companies' willingness to invest in the North Sea.

Sir Jim Ratcliffe, INEOS founder and chairman is scathing about the whole situation: "The UK's total lack of an energy policy is completely irresponsible. The rest of the world has understood that we will need oil and gas for the next 30 years and is incentivising production through sensible taxation. The UK is doing the opposite and seems intent on rapidly destroying North Sea production through a mixture of negative comments and punitive windfall taxes, making us totally reliant on overseas supplies and losing billions in potential revenue."

THE LATEST UPDATES FROM OUR DISTRIBUTOR COMMUNITY

Certas Energy sponsors Warrington Town Football Club

Certas Energy, the UK fuel and lubricant distributor, is proud to announce that is sponsoring Warrington Town Football Club.

On Saturday 23rd September, as match day sponsors, several of the Fuel Card's Team at Certas Energy watched Warrington Town FC at their home ground – Cantilever Park.

Sharing the news, a spokesperson said: "Certas Energy has sponsored local team Warrington Town FC for the season and they were victorious against rivals King's Lynn Town, with the final score 1-0. The Fuel Card team enjoyed the day with the sun shining and luck on their side as Warrington Town, also known as The Yellows, had their first win since 19th August getting them back into their winning ways.

"As sponsors, the team from Certas Energy chose the Man of the Match – Isaac Buckley-Ricketts – who gave an outstanding performance and scored the winning goal."

Head of Estate Development Mike Heaton said, "Congratulations to the team at Warrington Town FC – they had a fantastic game. It is great to sponsor the local team and to see the support from the local community."

Good luck to Warrington Town FC for the upcoming season!

New Era Fuels runs fleet exclusively on HVO

New Era Fuels, the Essex-based fuel distributor, is proud to announce that it is now running its entire fleet on HVO.

James Hunt, Managing Director, at New Era Fuels said: "New Era is pleased to unveil a significant milestone in our commitment to sustainability. We take immense pride in revealing that our entire fleet of vehicles, operational across our expansive depot network, now exclusively runs on HVO fuel.

"Our dedication to eco-friendly practices is further underscored by our substantial investments in cutting-edge infrastructure, enabling us to meticulously monitor fuel consumption and provide comprehensive CO2e reports. These reports attest to our remarkable achievement of annually saving over 2,298 metric tonnes of CO2e through fuel efficiency alone.

"As we embark on the next phase of our renewable journey, we're excited to extend our support to our valued customers, guiding them towards a greener, more sustainable future. Furthermore, we are proud to share that we have recently partnered with Zemo and obtained the RFAS certification. This certification allows us to provide renewable fuel certificates to our customers, enabling them to track GHG emission reductions and ensuring the traceability and sustainability of our HVO fuel."

Craggs Energy goes above and beyond

Craggs Energy, the West Yorkshire-based distributor, would like to say an extra big thank you to one of their employees – fuels sales executive, Nicola Blanchfield.

Nicola and her four-legged assistant Bella, stayed after office hours to make a last-minute emergency fuel delivery to a local farmer.

David Damary-Thompson, General Ganager at Craggs Energy said: "Our fuel sales executive Nicola consistently goes above and beyond to ensure her customers are well looked after and always have fuel to keep their farms running smoothly. Last week was no exception when she completed an emergency delivery to a customer after office hours. Well done for your hard work!''

Nolan Oils supports the local football club

Nolan Oils, the Oxfordshire-based distributor, is proud to be sponsoring a local children's football team.

Luke Nolan, Sales Manager, said: "Nolan Oils is proud to sponsor Heyford United under 8's football team. We feel it is very important to support local causes and local teams. Handing out the new kits and sunglasses to the team was a great privilege. They were very grateful and very excited. We wish Heyford United Under 8's all the best for the season ahead and hope they all have a great time playing."

Good luck for the new season to Heyford United – we love the sunglasses!

NWF Fuels – competition time for NWF drivers!

Crewe-based NWF, has announced a newphotography competition for its drivers as Andrew Dobson, Marketing Executive, explains: "Coincidentally, it was reading Fuel Oil News' article about our drivers Lee Crellin and Ryan Finnigan that sparked the idea of starting a photo competition.

"I follow them both on LinkedIn and their frequent updates are a great

insight into the working day of our tanker drivers. The article really portrayed their passion for driving and what a positive energy the photography provided. We have many drivers across England and Wales – who knows how many of these are budding photographers?

The photo competition was an outlet for our drivers to foster their interests, show off fantastic photos and inspire other tanker drivers to do the same."

Such a brilliant idea – if you or someone in your team has a passion for photography then do send your photos over to claudia@andpublishing.co.uk

Congratulations to Lee Crellin for the winning photograph this time!

NWF Fuels is also delivering GOALS!

NWF Fuels is also proudly sponsoring three local football teams.

"Supporting local communities is delivering GOALS all around!" said the team at NWF, who are sponsoring The Pumas, G3a Benfica and Hapton Juniors this year.

Fuel Oil News wishes the best of luck to all the teams for the upcoming season!

Barton Petroleum visited by local MP

Barton Petroleum Ltd, the Northamptonshire-based fuel distributor, recently received an important visit from Richard Fuller, MP for North-East Bedfordshire.

Richard Burton, Chairman at Barton, said: "We met with Richard Fuller MP at our Oakley Depot on 4th September 2023. We had written to all the MPs whose constituencies fall in our operating areas following Ken Cronin's lead.

"We were determined that they should understand the part that oil, particularly renewable fuels such as HVO, could play in the important transition to net zero in the UK. Richard got in touch and asked to come and meet us and our team at Barton Petroleum.

"We discussed the proposed amendments to the Energy Bill with Richard at our meeting. We stressed that our industry wants to play an active part in the road to net zero by offering innovative and affordable solutions through the RLHFO, providing the government amendments proposed by George Eustace MP, were accepted. Richard seemed to agree with us and spoke in support of the amendments during the debate the next day. He also stressed the importance of getting on with the Energy Bill and not letting it lapse.

"We were delighted by Richard's response and the keen interest he took in our business. We were impressed by his willingness to take the time out from his busy schedule and come to meet us in person to listen to our concerns and petitions.

"Naturally, we were delighted that the Government supported the amendments, and they were passed in the House the following day. We now need them to be pushed through into the bill as soon as possible and will be keeping in touch with Richard to monitor its progress."

Oilfast is proudly celebrating 10 years in business

Oilfast, the independent fuel supplier, based in Motherwell, Scotland, recently celebrated its 10th anniversary.

The family-owned business is proud to say that it prioritises its customers and has experienced significant growth since its establishment in 2013 and is now one of the fastest-growing fuel supply companies in Scotland.

Co-founders Alan Tait and Campbell Brogan began the company with a small team operating out of Motherwell, North Lanarkshire, Scotland. However, the company has since expanded and now has ten depots across the UK, mainly in Scotland.

Alan and Campbell have a wealth of experience in fuel distribution, having previously owned and operated Brogan Fuels until they sold the business in 2009. Alan Tait, the director and owner of Oilfast commented: "I am delighted to be celebrating Oilfast's ten-year anniversary with our talented team of colleagues who have all contributed to our success and established the Oilfast Group over the past decade. As a family-run business we value our

colleagues, we can't thank them enough for their commitment and hard work.

"Customers are at the heart of everything we do. We are committed to providing quality service to our customers and competitive prices through our friendly experienced staff that go the extra mile to meet customer's needs.

"Our commitment to excellent service, competitive prices, and environmental sustainability remains at the core of our business."

Huge congratulations to Alan, Campbell, and the team at Oilfast on the 10th anniversary – we are delighted to feature Oilfast on our cover!

Read all these stories and more in full at www.fueloilnews.co.uk and send your latest news to claudia@fueloilnews.co.uk or margaret@fueloilnews.co.uk

COMPASS FUEL OILS:
a new depot facilitates further growth

COMPASS FUEL OILS IS A FUEL DISTRIBUTION BUSINESS BASED IN PENWORTHAM, LANCASHIRE. FORMED IN 2009, COMPASS FUEL IS AN INDEPENDENT, NATIONWIDE FUEL OIL SUPPLIER WHO IS PROUD TO ANNOUNCE THAT THEY HAVE NOW OFFICIALLY OPENED THEIR BRAND-NEW DEPOT.

CLAUDIA WEEKS, CONTENT LEAD FOR FUEL OIL NEWS, SPOKE WITH **MARCUS DANDY**, MANAGING DIRECTOR AT COMPASS FUEL OILS.

The history of Compass Fuel Oils

Marcus began by explaining a little about the background of the business and how it all began: "The business was originally started in 2009 by Nick Heath solely as a broker and relied upon third party suppliers to fulfil the orders. Once we were more established, we started to invest in our own vehicles to distribute fuel oil.

"Over time we have morphed into a wet depot, where we are now storing over 400,000 litres of fuel and running 12 delivery vehicles. We have also grown to employ a staff of 22 including Bella Bumble, the office Labradoodle!

"We celebrated our 10th anniversary back in 2019, so we'll soon be having a small celebration for our 15th anniversary next February.

"Our key milestones of growth during this time have certainly been switching from a broker to wet depot, the constant year on year growth and, of course, our recent depot move!"

The new depot

Compass Fuel Oils has recently completed its brand-new depot and it looks fantastic! Claudia asked Marcus to share more about the build: "Our previous depot was located on an old farm and offered little in the way of growth, so eventually we had to look at relocating the business.

"As is often the case with these things, the planning permission took well over 12 months to get approval, and the construction of the new yard took another 6 months before it could be operational. The new location is significantly larger and has allowed us to expand our storage and loading facilities, as well as being closer to motorway links. We are now able to offer white and red diesel and HVO, industrial heating oil (Furnace Flame / Ultra 35) and C2 kerosene and C1 paraffin.

"We are currently looking to increase our contractual work to secure the foundations of the business, and then who knows what the future holds, perhaps an additional depot location further down the line!"

The customer

Marcus explains more about the Compass customers: "The primary focus for the business has always been on commercial users and I believe we have been incredibly successful at growing our long-term customer base.

"Our domestic and agricultural markets have both grown steadily over the years, mainly through word of mouth and increased awareness of the brand.

"I think customers choose us as their supplier because we're open and honest about our level of service and pricing structures from the get-go.

"We actively try to educate our customers that there's no single company that can offer the best service, with the quickest delivery, at the cheapest price (despite the many wild claims out there!). If we do get something

wrong, we're often able to offer the customer a plan B, to avoid them having to approach others for a solution."

Working in the fuel distribution business

Fuel Oil News asked Marcus some quick-fire questions about working in this industry:

1. **What have you enjoyed the most about operating in fuel distribution?**
   "This industry constantly encounters new challenges to keep everybody on their toes – everything from extreme weather conditions through to the conflict in Ukraine, and then throw in a global pandemic for good measure and you've got a constantly changing environment to try and adapt to. I wouldn't go as far as to say no two days are the same, but you get the idea!"
2. **Tell us about your most memorable day at work…**
   "The most memorable days seem to be the most stressful, but there have definitely been good memories and friendships made here!"
3. **What is the best piece of advice you have been given in this industry?**
   "Taking the honest approach to dealing with mistakes is often the best way of resolving things."
4. **What has been your proudest accomplishment in the business?**
   "The recent depot move has been incredibly challenging (and stressful) for everybody involved. I'm incredibly proud of how well the staff have settled into their new surroundings and how everyone has made it an enjoyable place to come to work."

The future for fuel

"It's incredibly clear the industry is making big strides towards becoming greener," Marcus comments, reflecting on the future of the industry. "We are excited to be in a strong position to be able to begin offering customers future fuels such as HVO, whilst also keeping one eye on green hydrogen to expand into new markets.

"As is the case for most other distributors, we're awaiting the support from government to make HVO more attractive to domestic customers and envisage a big push towards green fuels."

Fuel Oil News wishes Marcus and the team at Compass Fuel Oils all the best for their new depot and look forward to hearing about their 15th anniversary celebrations next year!

Marcus and baby Myles

A DAY IN THE LIFE...

Marcos Matijasevich

WELCOME TO OUR FEATURE WHERE PEOPLE FROM MANY DIFFERENT ROLES IN THIS INDUSTRY WILL TAKE YOU THROUGH A TYPICAL DAY IN THEIR WORKING LIFE. THIS MONTH, FUEL OIL NEWS SPEAKS WITH **MARCOS MATIJASEVICH**, THE HEAD OF LOW CARBON TRANSITION AT ESSAR, TO DISCOVER HOW MARCOS SPENDS A TYPICAL DAY.

My typical day...

Essar has developed a clear roadmap to decarbonise its manufacturing operations through a combination of carbon capture and storage, energy efficiency, low carbon hydrogen production and fuel-switching to hydrogen, and that is the space in which my team plays a fundamental role.

The company is playing a leading role in UK industrial decarbonisation and my team does the market analysis and the recommendations which inform our decarbonisation strategy and masterplan. Our ambition is to transform this traditional oil refining and petrochemical business into the largest energy transition hub in Europe.

Based in both the UK and India, my team brings together people with engineering and project management skills and global expertise and perspectives. We invest our time in working together to understand how we deliver the first decarbonised large-scale refinery globally this decade but will also enable the decarbonisation of industries across the Northwest of England and Wales.

I meet daily, or weekly, with our own Essar project managers and their teams developing the various projects which together deliver our decarbonisation plan. Each project fulfils a purpose and I oversee and coordinate the various dependencies and try to unlock perceived and real barriers. This integration is across Essar and contractor groups involved based in Mumbai, the UK, and other parts of the world.

Our site is currently one of the largest greenhouse gas emitters in the Northwest of England and decarbonisation requires access to carbon capture and storage as well as access to hydrogen for fuel switching. To achieve our ambitions, we are dependent on the successful delivery of HyNet, the UK's leading industrial decarbonisation cluster.

Working with other companies in the cluster is a key part of my working day. ENI is developing the carbon dioxide transport and storage infrastructure to be used by the future emitter plants across the region such as our EET Industrial carbon capture plant and EET Hydrogen, which will produce low carbon hydrogen for the region. The hydrogen transport and storage system is being developed by Cadent, and hydrogen storage, in Cheshire's salt caverns, is being developed by Innovyn.

As part of this cohesive cluster, I meet regularly with other HyNet partners, and we ensure alignment between our activity so that our projects work alongside those interfacing with our existing and future assets.

I'm also proud to be chair of the Hydrogen Advocacy and CCUS Committee within the Fuels Industry UK Trade Association (formerly the UK Petroleum Industry Association).

As chair, my role, and that of my counterparts from other companies, is to promote and advocate for the role that our sector can play in delivering a net zero UK. We have direct engagement with policy makers and officials and formally respond on behalf of the sector to consultations.

My most memorable work moments...

In my role, I lead our work in developing bid submissions, typically to the Department for Energy Security and Net Zero (DESNZ) under their various competition frameworks. These mechanisms offer financial assistance to the private sector to support our own investments and strengthen our efforts in project development to decarbonise assets.

Developing projects and business cases that demonstrate value for

money and which result in successful applications is very rewarding. Along with reaching formal completion of stages across the various decarbonisation projects within EET, these are the most memorable parts of my job.

The best part of my job is…

There are loads! I particularly enjoy representing Essar's strategy, plans and progress on our decarbonisation journey at various European and international conferences.

Every time I do, I see how much has changed and the progress we are making. Overall EET is investing in excess of $2.4Bn in the UK to transform the business into an energy transition hub. We will provide the low carbon energy vectors the market will need in the future and knowing that my actions and decisions, as well as those of my team, are helping to shape that transformation is what motivates me every day.

I relax after work by…

Hitting the gym, a passion I managed to pass on to my son Alex. To get there, I walk through Chester town centre and, every day, I can't help but notice new amazing features amongst the literally hundreds of astonishingly well-preserved Tudor and Georgian buildings that make up this Roman city.

I have visited many, many cities and towns across the UK, but Chester must rank amongst the top, most beautiful, history-rich and harmonious places I have been too. If you haven't been here yet, I strongly recommend you pencil Chester for your next weekend out!

The future for the UK's refineries

An introduction from Fuels Industry UK

The sector has changed considerably over the last century with rapid growth of demand, global oil shortages, the three-day working week and regulation requiring cleaner fuels among key challenges faced. Now, with the target to meet net zero by 2050 putting particular emphasis on the need to decarbonise operations and products, the sector faces perhaps a greater challenge than it has ever seen before.

The UK downstream has a central role to play in decarbonising the transport sector. It lies at the heart of the UK economy, providing a secure supply of affordable energy for road and rail transport, aviation and marine applications, as well as for commercial and domestic heating. The sector will therefore be at the heart of an orderly and fair transition to a net zero economy.

While the sector can play a significant role in future, it cannot be taken for granted. The sector is facing higher energy costs than many competitor countries, and significantly higher costs from the UK Emissions Trading Scheme compared with equivalent schemes abroad. But, with the right policy decisions, the downstream sector can help the UK achieve net zero with a thriving industrial sector still in place.

That is the future we are striving for and is surely what we all want, rather than see the UK import its fuels from countries with lower environmental standards.

Essar Oil UK: Stanlow Manufacturing Complex

An update on the future for Essar Oil UK

Essar Oil UK will host one of the largest energy transition hubs in Europe. Essar is a leading player in the decarbonisation of the UK economy and is transforming its Stanlow Manufacturing Complex into one of Europe's largest energy transition hubs.

Essar has committed to reduce carbon emissions by 75% by 2030 and will achieve its net zero emission target by 2040. Essar is committed to becoming the UK's first low carbon refinery, investing over $1.2 billion over the next five years to lower emissions by decarbonising production processes. Essar will be amongst the first low carbon refineries globally and will set the global benchmark for lower emitting refineries, showcasing the pathway to decarbonise high emitting industries.

The combination of hydrogen, refinery decarbonisation and biofuels with unrivalled infrastructure, expertise, and Essar's large land bank (c.900 acres) will facilitate the process.

HyNet

HyNet provides a carbon capture and storage network, and a low carbon hydrogen transport and storage eco-system across the Northwest of England and North Wales.

Essar is the only supplier of large-scale low carbon hydrogen within the cluster through its subsidiary EET Hydrogen. Essar is the largest industrial CO_2 emitter in the region decarbonising its operations through energy efficiency, fuel switching and carbon capture.

Investment is aligned to delivering the UK Government's Ten Point Green Industrial Revolution's hydrogen target and the British Energy Security Strategy.

Essar will deliver its target of a 75% cut in emissions by 2030 and net zero by 2040 through three phases:

- Energy efficiency – delivering a step change and best in class process energy efficiency through high impact projects.
- Carbon capture – investing on carbon capture technology for our full residue catalytic cracker units.
- Fuel switching – manufacturing hydrogen via Vertex Hydrogen and using it in our production processes to lower emissions.

Essar is securing manufacturing for the long-term future, ensuring the UK maintains a strong, secure manufacturing base for fuels, and continues to have a positive impact on the economy of the Northwest.

Phillips 66: Humber Refinery

It may surprise you to know…

Electric vehicles, the Humber Refinery and a lower carbon transportation future.

The internet is awash with origin stories that baffle and bemuse and is the definitive source of ‘Did you know…’ dinner party openers. And at Phillips 66 Limited (and more specifically the Humber Refinery), we have some unexpected revelations of our own that will surprise many.

The UK’s road fleet is becoming increasingly diverse as electric vehicle (EV) demand accelerates and new and potentially revolutionary technologies, such as hydrogen fuel cell vehicles, emerge, and renewable transport fuels become more available.

At the Humber Refinery, we produce something called ‘speciality coke’ which is a solid, high purity, concentrated carbon material and a critical mineral in the production of lithium-ion batteries for electric cars and consumer electronics.

Did you know the Humber Refinery is Europe’s only producer of speciality coke? The relationship between EVs and the Humber Refinery speciality coke production is surprising and intriguing – it is something we, at Phillips 66 Limited, are immensely proud (and protective) of. Furthermore, the Humber Refinery produces enough speciality coke to put 1.3 million EVs on the road every year.

So how does it work?

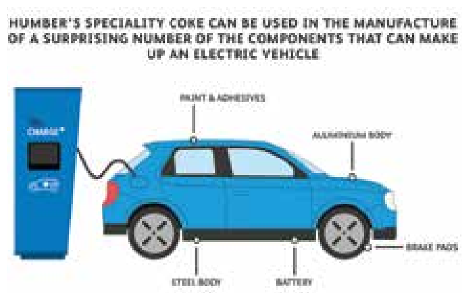
Well, like all great products – the formula for our speciality coke is a closely guarded secret(!). However, what we can reveal is that to produce this product, the refinery processes conventional crude oil together with some waste materials such as used cooking oil, to produce the speciality coke. Heating and cooling, increasing and decreasing pressure, distilling, purifying at different points through the refinery until it turns into a solid. It then undergoes further processing to produce synthetic graphite which is a product that is used in EV batteries worldwide to store the lithium-ions when the battery is charged and then released to provide the energy to run EVs. Not only that, but the speciality graphite produced at the refinery may well be in your smartphone battery too.

Graphite is a hugely important material for battery production in the EV transition, and we think it’s pretty cool that we are making this critical product here in the UK from conventional and waste feedstocks.

And that’s not all!

Changes to the vehicles we drive will mean a change to the forecourts that facilitate and maintain our road trips. This will require new and diversified energy offerings to support the drivers of zero-emission vehicles, plus new lower-carbon fuels. Earlier this year, we successfully launched JET Charge in three company-owned dealer operated sites with 150 kW ultra-rapid charging and simple, straightforward pay-as-you-go with no minimum charge.*

We are excited about the role Phillips 66 Limited is seeking to play in a rapidly transitioning energy landscape.



Featuring 150kWh ULTRA-RAPID charging, pay-as-you-go payment and no minimum charge, JET CHARGE has been developed with the customer’s needs front and foremost. *

**For clarification of charge output categorisation please see Chapter 2 “How electric vehicles are charged” and Table 1: Final report – GOV.UK (www.gov.uk).*

In Conversation with The Oil Lady

THE OIL LADY IS A FUEL DISTRIBUTION BUSINESS BASED IN LITTLE YELDHAM, ESSEX. IT WAS FOUNDED IN 2015, BY SHEILA CONSIDINE. CLAUDIA WEEKS, CONTENT LEAD FOR FUEL OIL NEWS, SPOKE WITH SHEILA TO FIND OUT WHAT INSPIRED HER TO START A FUEL DISTRIBUTION BUSINESS AND WHAT SHE HAS PLANNED FOR THE FUTURE.

The history of The Oil Lady is very much entangled in the history of me

The Oil Lady is a relatively new independent oil distribution business and Claudia asked Sheila what led up to the decision to launch the business back in 2015.

Sheila began: "We're not a brand-new company. The history of The Oil Lady is very much entangled in the history of me. Before launching a fuel business, I was in the insurance industry working as an adjuster and, later, as a broker at Lloyds. In the early noughties, I went out to America and ran an administration company that grouped claims, and we handled the claims on behalf of one underwriter. Essentially, this was very similar to a syndicate.

"I lived in the USA for 10 years and loved it, I was based mostly in Atlanta but also did a stint in New York and LA. I worked in Hollywood and was handling claims for the rich and famous. One time, I stood on Venice Beach, dealing with a building that had burnt down, when there was a bit of commotion, and I turned round to see Robert Downey Junior coming out of his house!

"In 2007, the time felt right to move back to the UK. I started working for an insurance company, but I wasn't feeling inspired by the insurance industry anymore. I thought about what I wanted to do next and decided to do a law degree and I ran an oil syndicate at the same time! With my background, I thought working in corporate law would be a good fit. A year into the degree, I fell ill with an autoimmune condition. It wiped me out and I was unable to work."

Can you order oil? I'm going fishing!

Moving into house in a village in Great Bardfield, Essex, Sheila explained how she became responsible for running an oil syndicate there: "A local chap, who organised the local oil syndicate said, "I'm going fishing. Can you handle the syndicate for me whilst I'm away?"

"I volunteered, and he gave me a box of cards with all the information. He went fishing for two months! I organised the information, collated the data into excel, digitised it, got email chains going and handled all the ordering. When he returned, he said: "I don't want it back – you keep it going!"

"I then had an idea for an anti-theft device for tanks. I spoke to a couple of local people, and they said: "Why don't you start a company and then you can make the anti-theft device?" I explained that I had the syndicate and that could be the testing group so they gave me £35,000, I set the business up, and that was the start of The Oil Lady in 2015! All my previous experience gave me the confidence to start the business and that was how The Oil Lady began."

A challenging market

"The Oil Lady is totally independent and I'm proud of that, but November 2020 was an incredibly challenging time: it was hard to get a deal for oil."

"At that time, I went and got my drivers CPC and routing manager CPC. We fumbled our way through until I got my operator licence in June 2021. It was impossible for us to make any money from January-June 2021 – just a fiver here and there – and it was purely perseverance that got me through until I got that licence.

"It was really tough, but the fun started when I needed to get a truck, a driver, and everything else! I was so green but so determined. If you put something in front of me then I think 'I can do that'! Through all of this, my illness has still been there, but it's manageable. The work is so exhilarating that it gets me through!

"I talked to Just Tankers, who I found through a Google search, and they said they could get me a truck. Eventually, they rented us a truck with a 2016 plate until they could get a new truck for us. I signed the contract, found an agency, found a driver and off we went."

The importance of team

"The 4th of July 2021, Independence Day, was our first official day of trading and doing deliveries ourselves. At the start we struggled for a multitude of reasons and then, at the end of July, a man that I'd been in touch with took the plunge and joined the business. His name is Nick Porch and he's been with us since the beginning of October 2021. He's an integral part of the business."

Sheila also wanted to acknowledge another gentleman, Paul,

who she'd planned to go into business with alongside Nick, but Paul unfortunately passed away before he joined the business. He was a close friend and was a big part of her journey in the oil industry.

"This is hard for me to talk about," Sheila shared. "I had planned to go into business with another man, Paul. I was going to get the operator's licence; he was going to drive for the business. He was planning to bring Nick Porch into the business, they would be the drivers and I would run the administration side.

"Paul died in the pandemic due to covid. He was lovely. I'd known him for such a long time. We always talk about him in the office.

"Paul was the link and connection between Nick and I. Nick called me after Paul had passed away. He said "I'm Penfold!" (The joke is that he looks like Penfold from Danger Mouse – and that was Paul's nickname for him.) He wanted to see if it was still possible to work together. Nick had a secure job in a corporate company but took a leap to join The Oil Lady.

"We've never looked back, it's been brilliant. Tough, but brilliant."

Are you The Oil Lady?

It's safe to say that The Oil Lady is famous for its logo – it's distinct and memorable. Claudia asked Sheila about the design and where it came from.

"When I first moved to Essex, nobody could remember my name. I was in the local Co-op talking to someone I knew, and somebody came up behind me and asked: "Are you the oil lady?"

"After 2 years of running the syndicate, everyone knew me as The Oil Lady so, when we were deciding on a name for the business, it seemed like the obvious choice! Everyone knows me by it and would know who was running the business.

"Initially, I wanted the logo to be an Italian washerwoman. She would have been hanging out the side of a truck with her hose! The Italian washerwoman was my original concept, and I took that idea to a graphic designer. Because of my illness, I went in with my walking stick and my sunglasses on and a big handbag. I had drawn my ideas and left them with him to make the logo – the brief was 'professional but with a hint of comedy.'

"A month later, they sent me the logo and I could have cried! It wasn't what I wanted. But gradually it grew on me. I always make the joke that she looks like my mum – she doesn't really, but it makes me smile. And now I love my logo. I did think about rebranding but couldn't bring myself to change the logo. It's so distinctive, it's my brand." Fuel Oil News would have to agree!

It's still a male-dominated business

Discussing the wider industry and how it is still heavily male dominated Claudia asked Sheila how she had found being a female business owner in the sector.

"Without a doubt it's still a male-dominated industry but it's not as extreme as the insurance sector! I believe that women are thought more highly of in the oil business but it's still a man's world. I like to be in the industry as me, I'm not going to put on airs and graces!

"I know there are other women in the industry who also run distribution business but not many. I also don't know many women that have set one up from scratch. It's a daunting thing to do and not something that most people would do. I feel that women are always underestimated."

We broke the mould

Sheila reminisced about her first time attending and exhibiting at the UKIFDA Show and Conference. "We exhibited at the Conference in 2016. It was a huge deal and an eye opener for me. We had our bold logo featuring an old lady and it was pink! People crowded round the stand; we were packed! We broke the mould of the conventional oil company – we were something different and stood out. It helped us to become known in the sector."

Fuel transition

Considering the future for fuel distribution Sheila mused: "The government don't fully know what is going to replace oil. HVO, and all the other biofuels, none of them have yet solidified what is going to be the future of oil.

"Eventually, I believe that you're going to be left with three big companies. The smaller companies will be swallowed by the three big ones, or they will have to diversify and change what they do. Personally, I'm in the process of setting up The Green Lady!

"Nick and I have a couple of different ideas around renewable fuel. We've got a lot of work to do!"

The answer must be to diversify

Sheila explained their plans for diversification: "We hope to take on another driver, and expect our second truck by the end of the year. That's coming from SOS Sales. What I'm realising very quickly is that the summers hurt. The answer must be to diversify. Other companies in this sector have another company that supplements their business. For example, a waste business or farm services. The Oil Lady hurts during June, July, and August. You cannot sell fuel at a loss.

"I had a chat with Nick and suggested that we diversify with a lawn business called The Green Lady to tie in with The Oil Lady. We'll do everything naturally, we'll aerate, we won't use chemical fertilisers. We

want to make a natural gardening business. I truly believe in the natural way of doing things.

"Anyone can mow a lawn but trying to find a good gardener is Essex is like gold dust. We are close to an agricultural college which opens the opportunity for interns and apprentices. There isn't a lot of money in gardening, but it does mean that we will be productive and generating income in the summer months. We'll also be looking at providing solar and wind energy.

"I want to take The Green Lady in that direction and have lots of ideas to partner up with different companies to try and make that business carbon neutral, and offsets everything I'm doing as The Oil Lady."

If you can only afford 500 litres, why should you be penalised for that?

"Renewable fuels are currently so expensive for the average consumer meaning many cannot afford it. Any fuel is an expensive purchase for most people. You don't get a bonus from me even if you buy more fuel. If you order 500 litres or 1,500 litres from The Oil Lady, you're going to get the same price.

"I've always believed the marketplace is skewed for the wealthy and not the poor. I've been on benefits and not been able to afford food or fuel. If you can only afford 500 litres, why should you be penalised for that? My biggest customers see that, they understand. Industry, generally, is about making the most money but I am different. I want to make a living, but I want repeat custom. I want people to able to trust what I'm saying and for people to feel good about what they're purchasing."

Business is not a chore

It's clear that Sheila is a successful businesswoman but also one that cares deeply about her employees and customers.

"We want to stand for fairness and honesty and to be trustworthy," Sheila continued. "One of the best compliments I've received was from a customer. He spent over £1000 on oil and at the end of the conversation he said: "I have never ever enjoyed spending this amount of money as much as I've enjoyed this conversation with you."

"That's what I'm aiming for. Business is not a chore.

"There are three different types of customers: the ones who order online and never speak directly to us, the ones who speak when they have time and then there is a third group – they have nobody else to talk to and we are their friends. We take the time to speak to them. Maybe their spouse has died, or their children aren't nearby. Small interactions in their day make such a difference."

Communication matters


Social secretary hard at work

"If something isn't right with a customer then we get in touch with their family, or friends – we are there to support. It's more than just selling oil. You can't teach this, and it doesn't happen in a big company. I wouldn't want to lose that if we got bigger. We always say that you don't rush anyone off the phone. Give them time because communication matters. I want customers to come back to me because of the product and the high level of service."

The best advice

Asked for the best advice she's received in the industry, Sheila replied: "The best piece of advice I've received, and it goes across the board, is not to be complacent. It's very easy to forget things because you're not being looked at under a microscope but the details matter. That advice came from Graham Binstead at Just Tankers who reminded me to never be complacent and not to rest on my laurels.

"I'd also like to mention Francesca Jowsey who was my biggest inspiration and such a fantastic businesswoman. I credit her with teaching me what I needed to know to start The Oil Lady. Her drive and determination to succeed reminded me of when I used to work in insurance. She was the one who said you need to make this a company, you need to make this work."

I'm a very chatty person!

With Sheila's clear enthusiasm for all she does, Claudia asked what she enjoys most about life at work and at home. "In fuel, I enjoy the relationships and connections with people I meet," Sheila replied. "I'm a very chatty person!

"I love making a difference. If I can make a difference in one person's life every day, even a small thing like being on the phone, or getting them a number for a boiler engineer, or just a kind word, that's what I enjoy about working. I want to pay forward the kindness people showed to me when I was struggling.

"In my free time, I love painting, quilting, all arts and crafts! I even did the signs for my own truck. I also love my dogs. In lockdown, I bought a chocolate labradoodle who is a very mischievous little pup. She's our credit control and social secretary! I'm also an avid caravanner, if I have a few days off I take my mobile office with the dogs and I can sit at the seaside answering calls and taking orders. I just love to do things that I haven't done before."

Fuel Oil News wishes Sheila and the team at The Oil Lady all the best with the growing business and very much look forward to hearing more about The Green Lady!

Data: the UKIFDA databank

UKIFDA'S DATABANK BRINGS TOGETHER RECENTLY PUBLISHED GOVERNMENT AND OTHER THIRD-PARTY DATA CONCERNING THE DISTRIBUTION OF LIQUID FUELS IN THE UK.

IN THIS EDITION, WE PROVIDE DETAILED MONTHLY DATA TO THE END OF JULY 2023 AND MORE DETAILED BREAKDOWNS UP TO JUNE 2023.

WHERE COMMENTS ARE MADE REGARDING COMPARATIVE DIFFERENCES, THEY ARE UKIFDA COMMENTS BORNE FROM CONVERSATIONS WITH THIRD PARTIES.

PRIOR PERIOD DATA (2021/2022) HAS BEEN UPDATED BY THE GOVERNMENT AND MAY THEREFORE DIFFER FROM PREVIOUS UKIFDA REPORTS.

THE MAJORITY OF THE COMPARISONS IN THIS DATABANK ARE AGAINST 2019 – THE LAST FULL YEAR PRIOR TO THE PANDEMIC AND INVASION OF UKRAINE.

In this edition:

1. Temperature review
2. Overall hydrocarbon production and demand in the UK
3. Hydrocarbon stocks
4. Update on diesel, gasoil and heating oil
5. Biofuels consumption in transport
6. Domestic gas consumption
7. Ofgem Price Cap
8. Update on the Boiler Upgrade Scheme
9. Update on HVO data

Temperature and heating days

The average temperature between June and August was 16.5°C, 0.7°C lower than the same period a year earlier. The average number of HDD was 0.4, 0.1 higher than the same period a year earlier.

Average temperatures	30-year mean	2019	2022	2023
January	4.9	4.2	5.2	5.3
February	5.2	6.9	6.8	6.6
March	6.8	7.9	7.7	7.0
April	9.0	9.1	9.1	8.6
May	11.8	11.2	13.0	12.6
June	14.6	14.3	15.1	16.8
July	16.7	17.6	18.2	16.3
August	16.5	17.1	18.3	16.4

In August, the daily average temperature was 16.4°C, 1.9°C lower than August 2022 and 0.1°C lower than the long-term average.

Overall hydrocarbon production and demand in the UK

Production of primary oils fell to 8.5 million tonnes, a near record low, and dropped by 13% in Q2 2023 compared to the same period in 2022. There has been a sustained decline in offshore oil production in recent years, averaging around 10 million tonnes per quarter in 2021 and 2022 compared with roughly 12 million tonnes per quarter in the prior five-year period.

Refinery demand fell by 7.8% compared with the same period in the previous year following maintenance during the second quarter of 2023. Net imports of primary oils increased by 15% compared with Q2 2022; while imports remained stable, exports fell by 10% in line with the decrease in production.

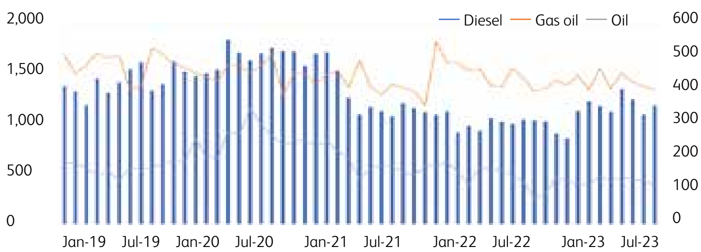
Average heating degree days	30-year mean	2019	2022	2023
January	10.6	11.3	10.3	10.2
February	10.3	8.6	8.7	8.9
March	8.7	7.6	7.8	8.5
April	6.6	6.4	6.4	6.9
May	3.9	4.3	2.5	2.9
June	1.7	1.6	0.9	0.6
July	0.6	0.1	0.1	0.3
August	0.7	0.2	0.0	0.4
September	1.9	1.4	1.7	
October	4.6	5.4	2.8	
November	7.9	9.0	6.4	
December	10.3	9.5	11.5	

Transport fuel demand increased with mixed product trends. Demand for jet fuel continued to increase, up by 10% in Q2 2023 compared with the same period in the previous year. Road fuels saw a more stable trend, with petrol demand increasing by 4.1%, countered by a 3.2% decrease in demand for diesel. Biofuel demand continued to grow with bioethanol and biodiesel demand up by 16% and 19% respectively.

Stocks

The UK held 8.7 million tonnes of stock at the end of Q2 2023, 6.7% lower than the previous year. During Q2 2023, the UK continued to participate in the coordinated stock release by the International Energy Agency (IEA) in response to Russia's invasion of Ukraine. UK stocks were equivalent to over 120 days of net imports, well above the IEA requirement to hold 90 days' worth of net imports.

Stock levels

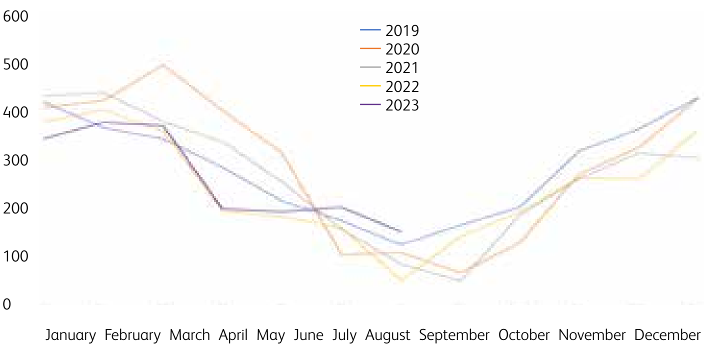


Heating oil

Consumption (ktoe)					
	2019	2020	2021	2022	2023
Jan-Mar	1,116	1,314	1,238	1,128	1,080
Mar-June	663	809	737	526	582
July	121	105	82	48	148
Total year to July	1,901	2,228	2,057	1,702	1,810
% Change vs 2019		17%	8%	-10%	-5%
		199	199	199	199
Full year	3,358	3,429	3,155	2,901	
% Change vs 2019		2%	-6%	-14%	

The first half of 2023 was broadly similar to 2022, and 6.5% down on 2019. July consumption was one of the highest in recent years (22% up on 2019) coinciding with lower prices. The year, to date, remains 5% down on 2019.

Kerosene consumption 2019-2023



The split between domestic and non-domestic kerosene shows a marked difference, with non-domestic kerosene increasing – presumably due to the switch from gas oil to industrial heating oil.

Non-Domestic (ktoe)					
2019	2020	2021	2022	2023	% change 2019-2023
481	683	531	513	535	11%
366	467	390	260	293	-20%
321	182	193	263		
414	463	344	369		
1582	**1795**	**1458**	**1406**	**2851**	

Domestic (ktoe)					
2019	2020	2021	2022	2023	% change 2019-2023
635	630	707	616	545	-14%
297	342	346	266	289	-3%
160	112	119	111		
684	549	525	503		
1777	**1633**	**1697**	**1496**	**834**	

Pricing

The Office for National Statistics (ONS) recently produced its August monthly figures for domestic heating oil prices alongside broader inflation numbers.

Heating oil prices in August 2023 were 74ppl compared to 89.7ppl in August 2022. Prices in June 2023 dropped to their lowest level for almost two years, at 59.1ppl.

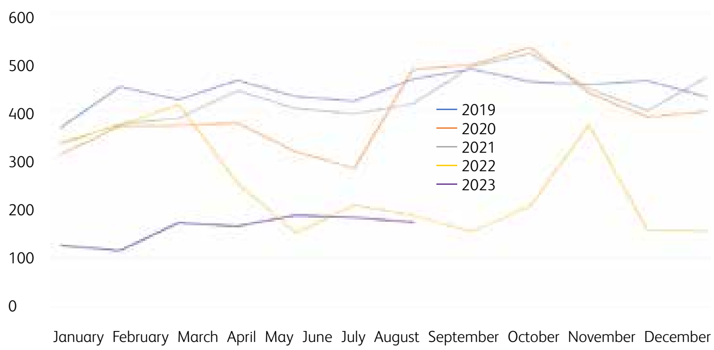
ONS Heating Oil Price (ppl)

Gas oil and DERV

Gas Oil Consumption (ktoe)					
	2019	2020	2021	2022	2023
Jan-Mar	1,237	1,050	1,090	1,119	411
Mar-June	1,312	974	1,238	611	534
July	464	485	414	187	172
Total year to July	3,013	2,509	2,742	1,917	1,117
% Change vs 2019		-17%	-9%	-36%	-63%

Gas oil consumption continues to decline, decreasing by 63% in the first 7 months of 2023 when compared with 2019.

Gas oil consumption (KTOE)

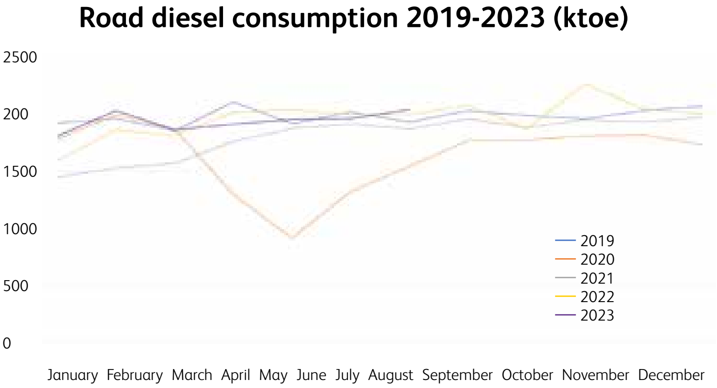


Derv consumption					
	2019	2020	2021	2022	2023
Jan-Mar	5,733	5,632	4,545	5,263	5,697
Mar-June	6,037	3,527	5,543	6,047	5,822
July	1,929	1,542	1,869	1,992	2,039
Total year to July	13,699	10,701	11,956	13,302	13,558
% Change vs 2019		-22%	-13%	-3%	-1%

The half year split is as shown with the biggest fall, as expected, in industry:

ktoe	Domestic			Transport			Industry		
	2019	2023	% change 2019-2023	2019	2023	% change 2019-2023	2019	2023	% change 2019-2023
Q1	103	128	24%	340	196	-42%	632	65	-90%
Q2	53	55	3%	382	250	-35%	718	213	-70%

Road diesel sales are back to pre-pandemic levels



Biofuels used in transport

ktoe	H1 2019	H1 2023	% change
Road transport	844.49	1,195.43	42%
Air transport	0.00	54.62	
Non-transport fuels	42.35	32.43	-23%
All liquid biofuels	886.84	1,282.48	45%

Liquid biofuels are mainly used in transport – blended with, or replacing, fossil fuels. Biofuels supplied to the road transport sectors represent the majority of the demand. Biodiesel and biogasoline, as broader categories of fuels designed as additives to, or replacements for, fossil diesel and petrol, usually account for more than 90% of all bioliquids. In Q2 2023, biogasoline consumption was 365 million litres, while biodiesel's was 442 million litres, respectively 12% and 1% up since the same quarter in 2022.

In Q2 2023, a total of 20 million litres of bioliquids was consumed in non-transport sectors. This is around 2% of all bioliquids consumption for the quarter. Fuels include biodiesel supplied to non-road mobile machinery and bioliquids used by autogenerators to generate electricity.

Domestic gas consumption

GWh	2019	2020	2021	2022	2023	% change 2019-2023
Q1	117,166	115,134	133,434	112,647	105,027	-10%
Q2	52,000	48,366	65,271	44,565	40,421	-22%
Q3	20,033	24,901	21,040	19,056		
Q4	103,229	24,901	90,491	78,205		
	294,448	**215,321**	**312,257**	**256,494**		

Consumption of gas by final consumers fell across all sectors, with household demand falling the most – down 9.3% compared with Q2 2022. Given broadly similar temperatures, the fall in domestic consumption is, likely, a result of increased energy and other household costs. Demand from other final users (largely made up of the commercial and public admin sectors) and industry also fell, down 7.8% and 4.1% respectively.

Boiler Upgrade Scheme (BUS)

The BUS was launched in England and Wales on 1 April 2022, with an approved £450 million funding up until 2025 and is being administered by Ofgem.

The BUS aims to incentivise and increase the deployment of low carbon heating technologies by providing an upfront capital grant towards the cost of an installation of an air source heat pump (ASHP), a ground source heat pump (GSHP) and, in limited circumstances, a biomass boiler. Grants available at launch were £5,000 for an ASHP or biomass boiler, and £6,000 for a GSHP. Recently, the Prime Minister announced an increase to £7500 for an ASHP.

The voucher application process opened on 23 May 2022. In March 2023, the Government announced that the scheme will be extended until 2028 and there will be an additional budget allocation in each additional year.

The original budget for BUS indicated that the government was hoping for 90,000 installations or 30,000 per year.

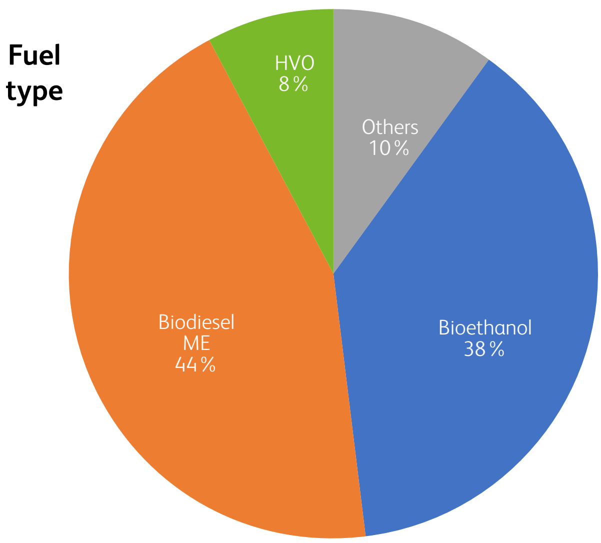
Fuel type displaced	Air source heat pumps: Number	Air source heat pumps: Percentage
Gas	6,827	48%
Oil	2,992	21%
None	2,374	17%
Direct electric	1,290	9%
Liquefied Petroleum Gas (LPG)	476	3%
Coal	170	1%
Other	133	1%
Unknown	13	0%
Total	**14,275**	**100%**

The data from May 2022 to August 2023, indicates that the scheme has fallen significantly short of its targets with c15,000 installations:

Region	Number
North East	384
North West	1,090
Yorkshire And The Humber	1,465
East Midlands	1,496
West Midlands	1,052
East	1,875
London	614
South East	2,747
South West	2,751
Wales	801
Total	**14,275**

HVO

Under the RTFO in 2022, 3.3bn litres of RLFs were supplied into the UK. These fuels include multiple types, using multiple feedstocks from nearly 100 countries. 8% was HVO:



Fifty feedstocks were used to supply RLFs, with used cooking oil being the most popular, and palm being only 1% of the total:

Used cooking oil	**41%**
Corn	18%
Sugar cane	7%
Wheat	5%
Food waste	4%
Brown grease	4%
Palm oil mill effluent	3%
Starch slurry (waste)	3%
Organic municipal solid waste	2%
All feedstocks	2%
Soy	2%
Sugar beet betaine residue	2%
Palm	1%

These feedstocks came from over 90 countries:

China	20%
United States	13%
United Kingdom	10%
Brazil	7%
Malaysia	5%
Indonesia	4%
Ukraine	4%
Netherlands	3%
Germany	3%
France	3%

Used cooking oil is supplied from 89 countries:

China	39%
UK	7%
Malaysia	7%
Taiwan	4%
Germany	3%
Indonesia	3%
France	2%

HVO availability

Production of the leading RLF (Renewable Diesel (RD)/HVO) is increasing across EU and USA:

- In the US +550% to c10bn litres in the last five years, expected to increase to 22bn litres by 2025.
- In Europe expected to double in the next 2 years to 11bn litres.
- Used cooking oil in the UK could provide feedstocks to meet c10% of heating oil requirements.
- In February 2023, the UK Government announced it would revoke the anti-dumping and countervailing duties on HVO originating in the United States of America. This will significantly increase the availability of HVO in the UK. The first US consignment of HVO was delivered to the UK in March 2023.

A report by Portland Analytics, based on data from Imperial College London and the US Department of Energy (DoE), comprehensively analysed the availability of feedstocks used to produce RLF in Europe and North America up to 2030 and compared these to predicted biofuels demand for transport as set out by the International Energy Agency (IEA).[ii]

The report excluded imports of feedstocks, feedstocks that compete with food production, increased land capacity or being used in first generation biofuels because of land issues. Third generation biofuels, such as algae, were excluded as they are not yet commercially available.

Three separate fuel production technologies were analysed, including hydrotreatment, biomass to liquid and alcohol to jet. Each of these has operational plants across the geographies considered.

i https://www.concawe.eu/publication/sustainable-biomass-availability-in-the-eu-to-2050/
ii IEA Bioenergy 2022, Global Database of Biomass Conversion Facilities, viewed 8th June 2022, <https://www.ieabioenergy.com/installations

FuelPricesOnline.com

OMJ
The Oil Market Journal

HVO Prices

02

12 Reasons to Upgrade to the OMJ FPO Professional Service

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HVO availability – conclusion

The report provides conclusive evidence that the UK domestic heating oil markets could easily be accommodated within the overall requirement for renewable liquid fuels and that the lifecycle greenhouse gas emissions reductions achieved would range between 82% and 87%

	Demand (mTOE)		RLF Yield (mTOE)		RLF Yield (% of Demand)	
	Low	High	Low	High	Low	High
Europe	18.69	26.18	63.57	104.59	243%	560%
North America	20.76	29.50	122.52	151.20	415%	728%
Total	39.45	55.68	186.09	255.79	334%	648%

Ofgem Price Cap

Ofgem has recently announced a new price cap for the 3-month period starting October 1.
The electricity prices above do not include the daily standing charge which is likely to add £195 to an average yearly bill.

	2019 price cap	Guaranteed by Government October 2022	Price cap announced Feb 2023	New price cap for July 1	New price cap for October 1	% movement since 2019
Electricity (p/kWh)	18	34	51	30	27.3	+52%
Kerosene (ppl) at equivalent points in time	53	97	75	68	75.0	+42%

Valero brand enters the UK fuel retail market

Valero opened its first Valero-branded fuel retail site in the UK in October, marking the introduction of the first new fuel retail brand in the UK since 2015. Ascona Group's flagship Green Garage Service Station in Pembroke, West Wales, along with two other Ascona sites, has been re-branded to Valero and offers the same fuel previously sold there under the Texaco brand.

Pembroke association

Valero is the owner and operator of the Pembroke refinery as well as a fuel terminal at Waterston near Milford Haven. This long association with the area makes the Ascona service stations and Pembroke a natural fit for the introduction of the Valero brand into the UK.

The opening marks the first foray into the UK retail sector by US-based energy company Valero Energy under the Valero brand. The company has a long and successful history of retail fuel in the US and Mexico, with over 6,000 outlets representing the brand and is the world's largest independent fuel refiner. It is also the world's second largest producer of corn ethanol and, through its joint venture, of renewable diesel.

Since buying Pembroke refinery and the UK marketing and logistics assets in 2011, Valero has made considerable investments in its logistics infrastructure and network, allowing the company to develop into one of the most reliable distribution networks in the UK for retailers.

Bringing the brand to the UK

"The natural progression for the company was to bring the Valero brand to UK forecourts," said Valero's vice president of UK commercial operations, Chuck Pettibon: "We're extremely excited to be launching the Valero brand in the UK. It's a very attractive image that offers large and small fuel retailers the option for a new look to their forecourts. Retailers have asked when the brand would be introduced into the UK, and now it is."

With ownership of the Valero brand, the company has greater flexibility to determine what can be offered and how it can be aligned with Valero's corporate ethos.

Going forward, Valero is focused on demand-driven, organic growth of the Valero-branded retail sites.

Valero rebrand for three Ascona sites

With the launch of the Valero fuel brand into UK retail, three sites currently trading under the Texaco brand have been rebranded to Valero. The new branding was launched late October at three Ascona Group sites in West Wales with Green Garage, Crossways and Tenby Road service stations the first forecourts in the UK to showcase Valero's livery.

Minimal disruption

Existing Fastfuel customers will be able to continue using their Fastfuel cards at the Valero branded locations.

The transition to the new branding commenced on Monday 9th October and all three sites remained open as they underwent the changes, with minimal disruptions to regular service. A grand opening event was held at Ascona's Green Garage station at the end of October to celebrate the exciting change.

Darren Briggs, Ascona founder and CEO, commented: "Valero provides an industry-leading fuel supply package, and we're delighted to be supporting the team there as they embark on an exciting new phase of their UK strategy.

"The Valero team remains the perfect provider for Ascona as we continue to expand our operations in the UK via both organic and acquisitive growth and focus on building the best-in-class retail roadside destinations for our customers."

JET is the new fuel brand for two more prime dealer sites

Leading fuel brand, JET, has signed and reimaged two major new sites that span the UK, with one located on the A& at Selkirk in Scotland and the other in North London.

In the Scottish Borders

Hillside Service Station, located on the A7 road at Selkirk in the Scottish Borders, was formerly a Shell garage and is a key signing for JET. Now fully reimaged by JET, Hillside includes a Premier-branded forecourt shop and offers a new range of fuels including JET ULTRA Premium Unleaded and JET ULTRA Premium Diesel alongside unleaded and diesel fuels.

North London site gets pump upgrade

Metro Petrol Station, based in North London, was a Pace garage prior to joining JET. Located on one of London's busiest roads, the North Circular, Metro is expected to perform well with the eye-catching blue and yellow JET branding. As part of the refit, the London site now includes upgraded pumps with 24 hour pay-at-pump, customer toilets, a new Point of Sale (POS) system, a newly refurbished and extended JET Essentials shop and a hand car wash.

"We're thrilled to welcome these new sites to the growing list of JET service stations across the UK and in key focus areas of growth," says Graham Clout, Retail Sales Manager, Phillips 66 Limited, "Scotland and London are important locations for us as we continue to extend and grow our brand awareness in these regions. We look forward to building the relationships and driving success."

The latest iteration of JET's popular *Keep On Moving* campaign is currently running and includes national TV, on-site activations and social.

Hydrogen cars: are we there yet?

While the UK is celebrating a significant win with news of a vast new EV battery manufacturing plant, others around the world are already stealing a march on the production of hydrogen-powered vehicles

The hydrogen propulsion method is nothing new. It first gained traction in the early 2000s but has been supplanted in recent years by other alternatives, such as EVs, while liquefied natural gas (LNG) and compressed natural gas (CNG) are also gathering traction – at least in the European market.

But for hydrogen uptake, Europe notably trails the world-leading Asian market, with eight times more hydrogen-fueled passenger cars in Korea alone than the entire EU. Japan meanwhile, aims to have over 800,000 hydrogen vehicles on the road by 2030.

Why then, is Europe lagging in hydrogen car adoption? Will we see more euro-centric manufacturers committing to hydrogen vehicles? Will EMEA countries transition from having hydrogen-fueled vehicles concentrated in the transport and logistics sector to the everyday motorist?

Domenico Sicilia, Clean Energy Business Development Director for Dover Fueling Solutions (DFS), examines the current state of play.

The Asian market

When considering alternative fueling options, it can often be a "chicken or egg" scenario. Will adoption follow infrastructure, or vice versa?

Statistically, Asia has much more advanced infrastructure than Europe for hydrogen fuel, which can accelerate adoption. As of 2022, China has the most hydrogen refueling stations in the world with 250.

South Korea makes an interesting case study here as the growth of the hydrogen sector has largely been underpinned by government funding. Indeed, the country is pursuing a hydrogen-based economy, which is seen as a key driver of economic growth and capable of generating $43 billion of economic growth and creating 420,000 jobs.

To facilitate this, subsidiaries, loans and tax benefits have been in place for the hydrogen sector since 2019 and $2.34 billion invested within the sector since 2012.

The European model

If Europe is to catch up, similar government spending programs are needed across the region; however, most countries are currently pouring money into electric vehicles (EVs) as opposed to hydrogen. That being said the continent plans to have 1.3 million public chargers in place by 2025 and 2.9 million by 2030.

Indeed, EU member states would all need to combine their efforts to compete with the powerhouses of China and Korea. China is currently the largest hydrogen producer in the world – boasting capacity of 40 million tons – and is likely to remain a key industry in the future.

It would appear that the European country most notably blazing a trail is Germany, which is set to invest heavily in hydrogen refueling with an emphasis on heavy freight transport.

A call-for-action was recently sent to the French government urging them to invest in Hydrogen to reduce the country's carbon footprint while providing a cheap, abundant fuel source to combat spiraling energy costs. France aims to have a similar volume of refilling stations as

Germany by 2030.

Despite lagging behind Germany currently, France is also pursuing strong interest in developing the technology and accompanying network.

The cash injection, which will see the country's hydrogen network triple in size, will reposition the country as the *"backbone"* of European hydrogen.

How about commercial transport?

Unlike passenger cars, battery-powered vehicles are not yet considered strong enough to be used in heavy goods vehicles, where diesel has long been the prevailing fuel.

Hydrogen does carry strong potential for commercial transport. It is often praised as a great energy carrier with a small amount able to release a lot of energy to drive the vehicle.

However, the first hydrogen trucks to hit European roads were again Asian in origin with Hyundai trucks being rolled out across the continent. Indeed, eight out of the 10 biggest global hydrogen truck companies are based in Asia.

By comparison, hydrogen truck manufacturing in Europe remains in its infancy with leading brand Volvo only in the testing and development stage.

Are we there yet?

It's clear that Europe trails behind countries such as Japan and South Korea in both the passenger and commercial transport hydrogen markets. While hydrogen does show some potential for commercial transport, it wouldn't appear that cars for the everyday motorist will surface in the mainstream any time soon.

This was underlined by VW – the continent's largest motors manufacturer – when they announced that they had no plans to produce a hydrogen-fueled passenger car due to poor infrastructure.

Presently, the only fuel cell electric vehicles (FCEV) cars available on the continent are the Toyota Mirai and the Hyundai Nexo, which – clocking in at £50,000 and £70,000 respectively – are more within the realms of higher earners.

Hydrogen will no doubt play its part in the decarbonisation mix, but the extent of that will only really become apparent when infrastructure improves. The road to net zero never did run smoothly.

Reducing fleet costs: how technology is reducing costs

HOW DATA-BASED ORDER MANAGEMENT CAN SAVE UP TO 30% ON OPERATIONAL LOGISTICS COSTS

FoxInsights is a company driven by its passion for development of intelligent remote tank monitoring solutions, incorporating cutting-edge technology to ensure the accurate measurement of tank levels with data seamlessly transmitted.

The company's in-house team of experts is continuously working to hone the performance of their app, portal, and AI services, tailoring solutions to suit the unique requirements of their partners. Constantly innovating to reshape the landscape of tank management, FoxInsights explains how a customer-centric approach and advanced technology can enhance a fuel distributor's operations and deliver significant fleet costs savings.

For some months now, the downstream market has been disturbed by various influences. Supply security and frequently changing prices are key challenges. It is becoming increasingly important that decision-making is based on real time data, given the impact of extreme market situations in the energy industry such as the increased need for renewable and sustainable energy sources, the move away from fossil fuels, and the knock-on effect of global crises with regard to energy supply. Without data, supply decisions must be made randomly, which can lead to high costs being paid.

The longer a company continues to dispatch to a high frequent customer segment without using data, the more money will be wasted. Fuel suppliers would always prefer to deliver one time too often than have a customer run dry but, over a long period, the additional miles driven to achieve this all add up. Supply systems without a real-time data-point, in which customers actively decide about their order, intensify the supplier's pain even more.

Data answers the question: who really needs a delivery right now?

Intelligent tank data analysis shows that, on average, only 42.3% of a diesel tank's capacity is used, which means 57.7% is not. The median drop-off volume is 3.848 litres, with a mean refill interval of 14 days. In the interest of both the supplier and the B2B customer, the goal is to use 70% of the capacity and, thus, extend the interval. For customers, this results in paying less for deliveries and benefiting from better scale prices if they purchase larger quantities each time. For the supplier, the optimisation lies in the reduction of delivery costs, which make up the largest cost block.

Analysis indicates that operating costs can be reduced by up to 30% if deliveries are kept to a minimum.

Analysing the data on hand, FoxInsights states a 10% increase of tank utilisation through transparency. An initial increase is achieved immediately on the installation of the telemetry unit with an additional 5% seen over the first year by establishing an optimised, data-based logistic. Applying this to the average diesel drop-offs in Germany, the delivery interval was extended by 3 days (to 17 days).

To benefit on an even higher level and exploit the potential of AI-based dispatching with tank usage up to 70%, flexibility for the supplier is a key success factor. This is achieved through a contract model with vendor-managed inventory and automated deliveries.

Everything is fine. Until it is not.

The analogue handling of logistics is not a thing of the past, but still common practice at many suppliers. This leads to several business continuity challenges. Even if the dispatcher manages to deliver to regular customers in a well-organised pattern and understands the seasonal changes within the consumption, the difficulty begins if a single person with all the relevant knowledge is absent from work or leaves the company.

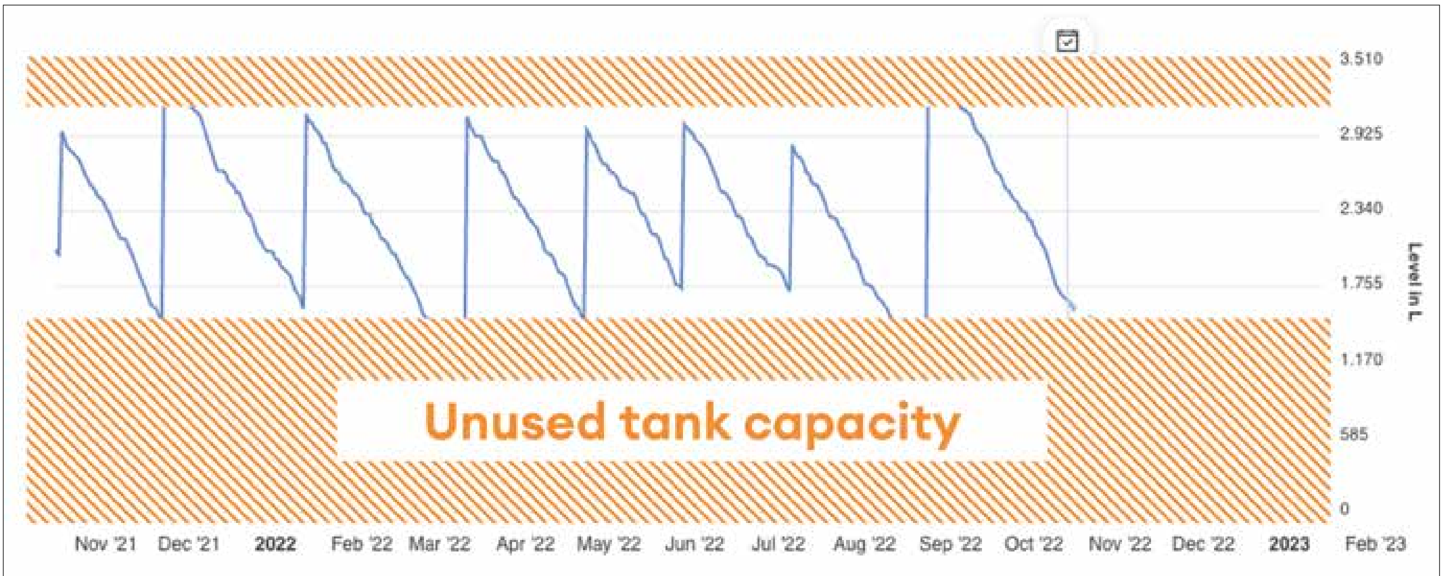


Figure 1: A fill level history with consumption and delivery patterns as it is shown in the FoxPortal, FoxInsights' central platform that provides a detailed overview of all customers' tanks fill levels. In this example, the tank capacity used is only about 42%, resulting in short refill intervals. This means that deliveries are made far too early and thus money is lost on every single delivery.

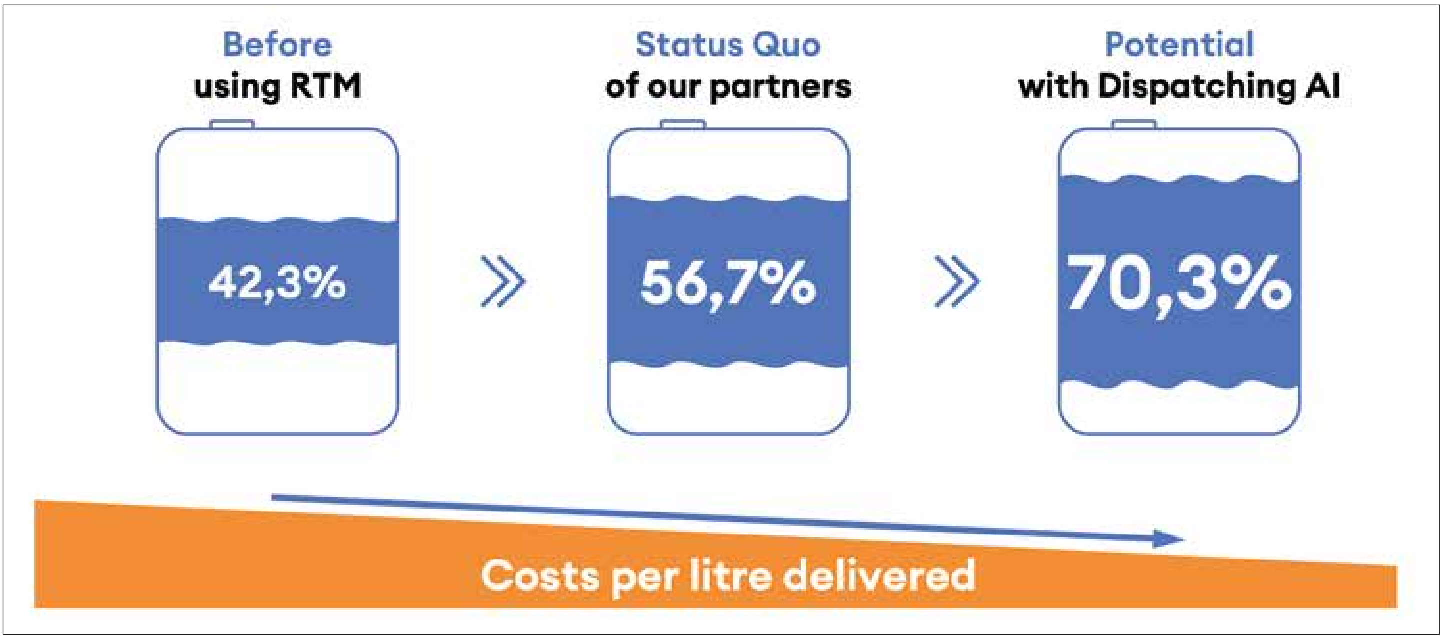


Figure 2: Remote Tank Monitoring is already positively impacting tank utilisation.

During these times when a deputy dispatcher has to step in, valuable money is lost due to a lack of knowledge of seasonal, regional or customer-specific characteristics. Other factors also pose challenges, such as the continuous growth of a business. As soon as the territory covered increases, the newly acquired customer patterns must be learned individually again. At the same time, one person can only handle a certain amount of information and deliveries if this is done in an analogue way.

To prevent loss of knowledge as well as enable a stable growth (acquisition or natural), a company-wide usable data source is becoming crucial.

Optimising logistics on a high-level starts at the very beginning.

Existing logistics optimisation tools focus on truck/order combination and route planning. However, the biggest potential lies much earlier in the process. The first step should be to determine which orders actually need to be processed. With that in mind, only a small part of optimisation potential is addressed with existing programmes.

Tools like FoxInsight's Dispatching Assistant are targeting logistics optimisation right in the beginning. Artificial intelligence offers a unique way of combining the data point with its consumption, the product itself (which is simple in diesel but highly complex within lubricants) as well as analysis clusters such as location and the remaining range of tanks nearby. By doing so, proposals for tanks to be delivered to are created for each day – and this 7-10 days in advance! The Dispatching Assistant is enabling a databased delivery to all top-up customers and still leaves enough flexibility to deliver to spot buyers or emergency deliveries.

With AI-based dispatching, suppliers can exploit the optimisation potential, decreasing the costs per delivered litre, and thereby reducing overall operating costs.

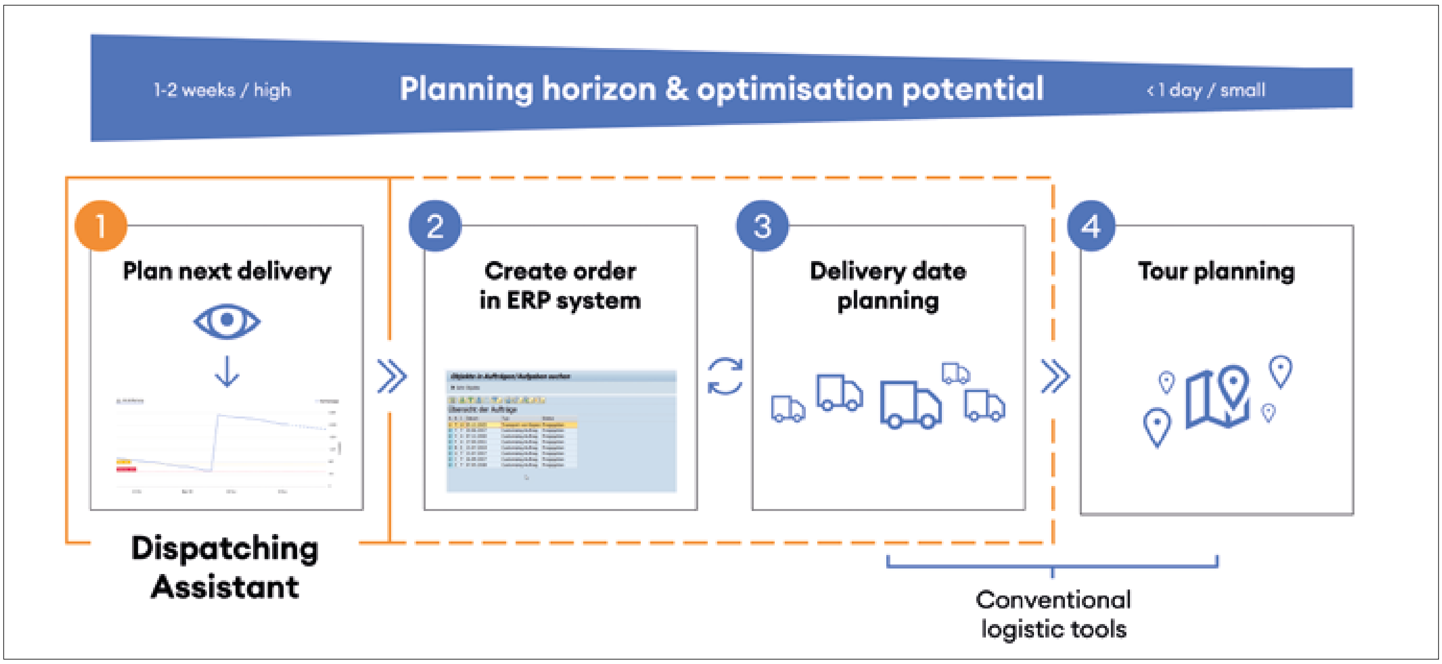


Figure 3: The Dispatching Assistant focuses on identifying tanks that are suitable for a refill. The goal of stepping in at this point of process is to gather an early understanding of the routes required. The data created can either be used within the stand-alone solution or in existing programs via API integration.

Top 5 ways to use technology to control fuel costs

USE THE POWER OF TECHNOLOGY TO TRANSFORM THE FUEL LANDSCAPE, FOSTERING EFFICIENCY, SUSTAINABILITY, AND ULTIMATELY, PROFITABILITY.

In today's world, it's not just about managing fuel; it's about mastering it, and the need for intelligent fuel management has never been more apparent. OTS Group designs and delivers practical answers to complex fuel storage, re-fuelling, distribution, service and maintenance issues read on for their top 5 ways to use technology for smarter fuel management.

1. Automatic Vehicle Identification (AVI)

This technology helps organisations "monitor fuel through the entire cycle," says Shaun Ferrara, Sales Director at OTS Group. Automatic Vehicle Identification (AVI) is a specialised technology that uses radio-frequency identification (RFID) tags and sensors to precisely identify vehicles at the fuel pump. This technology empowers organisations to have full control over their fuel dispensing process, allowing for accurate and secure allocation of fuel to designated vehicles. By ensuring that fuel is only dispensed to authorised vehicles, AVI technology significantly enhances fuel management, reduces the risk of unauthorised refuelling, and prevents fuel theft from the nozzle.

2. Telematics integration

Telematics is a transformative technology that serves as a linchpin for cost reduction across multiple facets of fleet management. Beyond merely tracking fuel levels, telematics provides deep insights into real-time fuel consumption patterns, engine idling times, and even unauthorised refuelling activities. This granularity of data empowers companies to identify inefficiencies and enact prompt corrective measures. Moreover, the predictive maintenance capabilities of telematics monitor key engine metrics to pre-empt costly breakdowns, while driver behaviour analytics flag fuel-consuming behaviours like harsh braking or rapid acceleration.

In addition to telematics' driver behaviour monitoring features, telematics systems incorporate GPS and real-time traffic data for route optimisation, leading to tangible fuel savings as well as helping organisations to comply with ever-tightening emissions and fuel consumption regulations by automating data collection, thus helping to avoid potential fines. The real-time tracking capabilities of telematics can also allow for immediate response to emergency situations such as vehicle theft, helping mitigate losses. In essence, telematics offers a multi-pronged approach to cost reduction, making it an indispensable tool in modern fuel management.

3. Predictive analysis and AI

Don't just react to issues – predict them. Advanced AI algorithms analyse your data to identify trends and foresee issues before they happen. This is proactive fuel management at its finest. The advent of technology, particularly AI and machine learning, is ushering in a new era of predictive maintenance, allowing companies to identify and address mechanical issues before they escalate into costly breakdowns. These intelligent systems continuously analyse data points – from engine performance metrics to fluid levels and vibration patterns – to detect anomalies or trends that might signify a pending problem. By applying advanced algorithms to this data, AI can predict when a part is likely to fail or when maintenance is due, enabling timely interventions. This not only minimises downtime but also extends the lifespan of machinery, thereby maximising ROI. Preventative actions can be automated or triggered for manual review, turning maintenance from a reactive task into a proactive strategy. In this way, technology empowers companies to stay ahead of potential issues, reducing costs and enhancing operational efficiency.

4. Technology to improve safety and security

Companies can significantly enhance on-site safety and security by integrating a range of technology solutions. For instance, advanced surveillance systems with real-time customisable alerts allow for immediate responses to irregular activities, like unauthorised panel access for example. Speed sensors on forecourts can monitor vehicle movement to prevent accidents, while ambient light sensors ensure optimal lighting conditions for safe operation. Further, remote monitoring capabilities, using advanced PLC and HMI panels, offer seamless integration with existing security systems for round-the-clock vigilance. These technologies collectively provide a robust framework for a safer, more secure operational environment.

5. Improve lane utilisation

Companies can optimise lane use and ease the demand on a single, frequently used pump by employing intelligent technologies like sensor-driven signage and traffic management systems. By providing real-time indicators, such as lights or digital displays that guide drivers to available lanes, the technology helps distribute traffic more evenly across multiple pumps. This avoids long queues and waiting times at the most popular pump, usually pump number one, thus improving the overall efficiency and user experience at the fuelling site.

Distributing traffic more evenly across multiple pumps not only enhances efficiency and user experience, but it also extends the lifespan of the equipment by preventing overuse and wear-and-tear on any single pump. This not only improves operational longevity but can also lead to cost savings on maintenance and replacements over time.

The marriage of technology and intelligent fuel management isn't a passing trend; it's the future – and the future looks extraordinarily efficient.

Future fuels: developing storage capabilities

ARUN SRISKANDA IS MANAGING DIRECTOR OF OIKOS STORAGE TERMINAL LOCATED IN CANVEY ISLAND ESSEX WHICH HAS BEEN IN OPERATION SINCE 1936. SINCE JOINING IN 2021, ARUN HAS OVERSEEN A SERIES OF SIGNIFICANT PROJECTS TO REDEVELOP AND DIVERSIFY OIKOS'S OPERATIONS. PRIOR TO WORKING AT OIKOS, HE SPENT A COMBINED 14 YEARS IN TOTALENERGIES AND BP WORKING IN A NUMBER OF SALES, SUPPLY, MARKETING AND LOGISTICS ROLES ASSOCIATED WITH BULK LIQUID FUELS. ARUN IS THE RECENTLY APPOINTED VICE PRESIDENT OF THE TANK STORAGE ASSOCIATION AND HAS A BIOCHEMICAL ENGINEERING DEGREE FROM UNIVERSITY COLLEGE LONDON. HERE, ARUN EXPLAINS HOW OIKOS STORAGE IS DEVELOPING STORAGE CAPABILITIES AS PART OF ITS CONTINUED JOURNEY TOWARD MEETING FUTURE FUEL TRENDS.

Oikos Storage is a bulk liquid storage facility based on Canvey Island in Essex, in the South East of England. We have a storied history in the area, stretching all the way back to 1936. With a substantial storage capacity of 300,000 cubic meters, two marine jetties, and vital pipeline connections, in 2023 we play a pivotal role in the energy landscape of the region. According to government figures, last year Oikos handled approximately 5% of the UK's distillate fuel demand for transportation.

Over its long history, Oikos's different incarnations have shared the same journey of evolution, consistently realigning the facility's operations to cater to the changing energy requirements of the Southeast of England. Today, as trends shift towards newer and more sustainable fuels, our desire to remain agile and able to meet future demand is more pertinent than ever before.

Upgrading our site to meet low carbon fuel demand

Along Oikos's journey to meeting future fuel trends we have developed the ability to blend fossil diesel with FAME (Fatty Acid Methyl Esters), to produce b7 grade biodiesel, which is common on forecourts in the UK, and in a 2021 project, we repurposed several of our existing fossil diesel tanks to accept HVO (hydrogenated vegetable oil).

Our latest project, however, has been our largest – both in terms of spend and its complexity – in repurposing our assets for low carbon fuels.

In September 2022, the UK Government changed bio blend legislation for gasoline from 5% to 10%, in effect, doubling the requirement for ethanol and biomethanol to be blended into fossil gasoline. Our latest project, which we undertook on behalf of a customer, involved repurposing existing assets to safely import, store, and distribute ethanol and bio-methanol to meet the growing infrastructure needs precipitated by this legislative change.

Due to the solvent properties of these grades, we took the decision with the customer to have a segregated system, which involved upgrades to our marine jetty, tank farm, and road gantry – a real 'end to end' project through our terminal!

We have now been accepting ethanol imports since the summer of 2023. While the grade has been imported into the UK for many years, this project represents a significant first for Oikos. Looking at the bigger picture, our project also underscores the essential link between forward-thinking policymaking and the work of the UK's fuel infrastructure, demonstrating how legislative changes can and will flow into the UK's fuel market and become reality.

While catering to immediate needs is essential, we've also set our sights on the horizon, ensuring our facility is adaptable to the changing landscape of future fuels. We've upgraded our facility to accommodate dedicated bulk liquid products, meaning we have the necessary flexibility should we, or our customers, no longer have a requirement to import and store ethanol or bio-methanol, in the future.

The future of biofuels

While recent years have shown biofuels taking up an increasing share of the traditional fossil fuel energy mix, there is a ceiling on the upper blend limits on the fungibility of existing technologies. This is why there is such excitement about HVO and sustainable aviation fuels (SAF) – these are drop-in replacements for their fossil alternatives (diesel and jet fuel, respectively) which can overcome blend ratio limits.

From an infrastructure perspective, these fuels can be moved via existing supply chains, which increases efficiencies, reducing costs and long lead times on infrastructural upgrades.

Increasingly, demand for these fuels is surpassing supply, and this is being priced into the product. This is why we're seeing a push from producers to increase their output, and owners of aged infrastructure talking about repurposing their facilities over the next five years to increase their capacity, as the market moves toward reaching a supply mass balance.

Of course, market uptake will be contingent on the carbon intensity of producing these fuels, the availability of feedstocks, and the narrowing of the pricing between these fuels and traditional fossil derived products.

In the longer term, however, the bigger question will be whether the medium for energy carriers remains in bulk liquid form. You can already see that electric cars will supplant fuels from the traditional retail fuels sector, while there will be technological breakthroughs for alternatives for heavy goods vehicles (HGVs). While it might take a bit longer, you would like to think there will also be technological breakthroughs in aviation engine technology for a non-bulk liquid fuel energy carrier… just don't ask me to get on a battery powered aircraft any time soon!

The implications of the Government's latest policy changes

In September, to much contention, Prime Minister Rishi Sunak announced a 'new approach to achieving net zero', including postponing the 2030 ban on new petrol and diesel cars by five years to 2035, arguing this would ease the financial burden facing taxpayers. My expectation is this won't

impact the market heavily – the direction has already been set, and the extra five years will give businesses and consumers more time to accommodate the transition. What we may see, however, is infrastructure companies pausing initial changes to their asset mix, as they seek to squeeze a bit more life out of them!

As our recent ethanol project highlights, Government legislation has the power to directionally affect change. Given the fuel supply sector crosses over the responsibilities of multiple government departments and agencies, the fuel transition and managing the UK's overall fuel resilience are tasks that will require joined-up, holistic thinking and collaboration. Decision makers have powers to convene stakeholders from across the supply industry, such as transport firms, energy firms and high fuel users, to increase awareness of current and future options available to the UK and agree on paths forward that ensure the UK's security of supply.

Our market thrives on clarity and incentives that empower stakeholders to invest for the long term, confidently, and I think our customer pool is still on the fence on underpinning the full energy mix of the next thirty years, which makes it hard for them to make these investment decisions.

Infrastructure projects are typically long in lead time and have small percentage margins, so the economics needs to be robust, and decisions taken early.

The more framework the government can provide around its policies, the more information will be available to the market to take more decisive, long-term decisions.

The Department for Transport is expected to be publishing an update on the UK's Low Carbon Fuels Strategy before the end of the year, which will be an important opportunity to assure the sector that there is a clear and coherent way forward.

Intern to analyst: integrating the next generation

IN AUGUST THIS YEAR **MICHAEL KEEN** JOINED MABANAFT'S LONDON TEAM AS A FULL-TIME ANALYST TO THE SUPPLY TEAM HAVING PREVIOUSLY SPENT 14 MONTHS AT MABANAFT UK AS AN UNDERGRADUATE INTERN IN THE PRODUCT CONTROL TEAM, BEFORE COMPLETING HIS ECONOMICS DEGREE AT THE UNIVERSITY OF BATH.

Interns play a crucial role in the business at Mabanaft, bringing fresh perspectives and innovative ideas in an industry that continues to grow and evolve. Bringing new energy and enthusiasm to the workplace interns can help companies stay on the cutting edge of technology and industry advancements. They also provide valuable support to existing teams, allowing them to take on more projects and tackle new challenges.

As Paul Emery, head of supply trading at Mabanaft UK, says: "We are committed to our internship programme, internships provide a unique opportunity for students to gain hands-on experience and build their professional network. They often bring new skills and ideas to the table and can help companies identify areas for growth and improvement, I am pleased to see Michael back with us and know he will succeed in his new full-time role."

When Matthew took up the full-time position he enthused: "I'm looking forward to the constant new learning opportunities from the UK team. Everyone at Mabanaft is friendly and helpful. I look forward to coming into the office each day, knowing that I will be learning something new, and feeling like I am continuing to develop my understanding of the industry in which I work."

Margaret Major, Publishing Director of Fuel Oil News, spoke with Michael, shortly after he started, to hear more about his experience of joining the industry.

How long have you worked in this industry?

Full time, I have been working for Mabanaft for about two and half weeks. However, I previously spent 14 months as an intern in the product control team at Mabanaft – before I completed my university degree. I have now returned to join the supply team full-time.

What made you want to join an industry that receives a fair amount of critical exposure?

I find the wider fuel industry fascinating as a driver of economic circumstances, with road fuel pricing being a huge contributor to the overall headline inflation rate.

Furthermore, I am keen to be involved in the evolution of the industry over future decades, as fuel providers seek to bring alternative offerings to market, driven by policy and regulatory changes and a desire to move toward sustainable practices. Whilst the industry does receive a fair amount of critical exposure externally, I think it is important to recognise the progress that is already being made towards long-term evolution, with growing usage of biofuel alternatives and increasing investment in entirely renewable fuels.

What do your friends and family think about the job that you do?

My family are all supportive of and very interested in the career that I have chosen.

Tell us about a typical day for you – what does a normal day involve?

A typical day for me involves intra-day hedging any spot deals that have been made by the sales team, as well as reporting and hedging our end of day deal exposure on term sales and product purchases. I also carry out additional ad-hoc analysis work required by the supply team. I am only just settling into the job, so I'm sure there will be more responsibilities as time progresses!

What do you enjoy most about your role?

I most enjoy the constant learning opportunities and the team within which I work. Everyone at Mabanaft is friendly and helpful, and I look forward to coming in to the office each day, knowing that I will be learning something new, and feeling like I am continuing to develop my understanding of the industry in which I work.

What is the best piece of advice you have been given so far?

"Go for it!"

The industry is so broad and varied that you can gain a wide range of skills by working across departments and undertaking new and challenging projects. Particularly whilst working within a small team at Mabanaft, there is plenty of opportunity to explore new sectors of the industry, that you would not otherwise have understood.

What do you think is your greatest strength as a young person working in the industry?

I believe that my greatest strength as a young person within the industry is my tenacity and enthusiasm. Having moved straight into the industry after University, I am impressed by the constant learning opportunities, and how forthcoming my colleagues are to teach me about their roles within the business.

Who inspires you?

Everybody that I work with at Mabanaft. I have been consistently impressed by the level of experience amongst my colleagues and learn new things every day that I spend working!

What is your experience of diversity in the industry?

Very good – There is a wealth of diversity within the broader team at Mabanaft, across age, race and gender.

The fuel distribution sector is changing – what are your thoughts on the future?

I believe that the future of the fuel distribution sector revolves entirely around its speed and success of adjustment to the implementation of alternative, renewable, fuel solutions.

What advice do you have for someone new to, or considering, the industry?

Go for it! Joining the industry is a fantastic opportunity to be involved in the success of an essential market and is a great route to learning more about the energy transition and broader macro-economic markets.

Don't be put off by the negative attention towards fossil fuels, as the industry is changing quickly, and your career can evolve with it.

If you could change one thing about the industry – what would it be?

If I could change one thing about the industry, it would be improving the speed of innovation towards energy efficiency and carbon neutrality. Whilst vast progress continues to be made, I would like to see further emphasis on the transitionary period, through higher R&D spending, and more of a focus on promoting a circular economy through biofuels usage or alternative fuels such as hydrogen.

What do you enjoy outside of work?

Running, walking, anything outdoors really!

PORTLAND MARKET REPORT

OCTOBER IN VIEW

IS THERE A FEASIBLE ALTERNATIVE TO DEVELOPMENT OF THE CONTROVERSIAL ROSEBANK OIL FIELD?

This month, politicians, journalists, environmental activists and energy experts all had their say on the controversial decision to approve the development of the Rosebank oil field – Britain's biggest untapped oil field. Lying 80 miles West of the Shetland Islands and 2,600m below sea level, drilling in this wild corner of the Atlantic (think 80-foot waves…) is due to commence in 2025. The field holds up to 240 million barrels and production is expected to peak at 92,000 barrels per day (bpd) in 2028, before a steady volume decline towards an expiration date of 2048. The divided opinions that have been generated by the decision to allow all this to go ahead highlight how complex and polemic the world of oil remains.

"AS LONG AS THE WORLD USES OIL, WE ARE GOING TO NEED EXPLORATION."

The virulent opposition to Rosebank has inevitably focussed on the climate impact of continued fossil fuel usage. As easy as it is to understand, this viewpoint overlooks the unavoidable truth that as long as the world uses oil, we are going to need exploration. Wishful thinking may tell us that if we stop extracting oil then demand will go down, but this is not how consumption works and if the UK stops extracting oil from the North Sea, then that demand will simply be met by production from elsewhere. Can there be any logic then in moving oil production away from the UK and then have that same production take place in countries that have zero desire to decarbonise, use dirty power (fuel oil, coal-fired electricity), have no air quality controls and where mass methane flaring is the order of the day? In that light, Rosebank starts to look like the best worst-option.

Proponents of Rosebank point to the employment, tax and energy security benefits of the new oil field. That the project will bring significant advantage to the already wealthy Shetland economy is not in doubt and these employment and investment benefits will spread into the wider offshore sector and more broadly around the whole of the UK. However, when it comes to tax, the income from the new oil field will be significantly muted in its early days of operation. Whilst overall, North Sea petroleum taxes (at a headline rate of 65%) bring in over £3bn per year for the Treasury, as a result of the so-called 'offshore investment-allowance', 90% tax breaks will be awarded to the developers of Rosebank. It will therefore be some time before UK plc receives any benefit from production.

Then there is the energy security angle, which is an almost entirely bogus argument. Unlike neighbouring Norway, Great Britian does not own the oil that is extracted in its territorial waters, meaning that it has no control over where the oil is sold. The reality is that North Sea oil (because of its high quality) is almost entirely sold to buyers outside the UK, with UK refineries preferring to import lower quality (non-UK) crudes at lower prices. And, in the case of Rosebank, the oil field is owned by Equinor (Norway), Suncor (Canada) and Delek (Israel), none of whom have any refineries in the UK anyway. At a stretch, energy security for Europe and the western world will be broadly improved by the opening up of Rosebank, as 'good' oil from the UK can displace some 'bad' oil from Russia. But Britain's benefit will be no greater than any other country abiding by the current sanction regime and, besides, 100,000 barrels a day is a drop in the ocean when compared to the 100m barrels consumed around the world every day.

Which means we have an oil field in the North Sea that generates marginal benefits whilst at the same time, comprehensively undermining the Government's own commitment to 'Net Zero'. As we lecture the rest of the world about the dangers of climate change, here we are cracking on with the 'business as usual' energy model. Of course, many climate activists simply want a complete and immediate halt to all North Sea exploration, but the consequences of such a move would see catastrophic impacts on jobs and government revenue, not to mention levels of compensation (to operating companies) that would be off the scale. It is, quite simply, not an option. A mature understanding of our continued requirement for fossil fuels is required, but then again, encouraging further use through subsidy is something altogether different.

"GROWTH IN THE ENERGY SECTOR WILL BE DOMINATED BY RENEWABLES FOR THE NEXT 25 YEARS."

If the Rosebank Oil Field needs to go ahead, then so be it, but we should forget the idea that it will help Britain's energy security and it shouldn't be subsidised. Growth in the energy sector will be dominated by renewables for the next 25 years so, for an island nation with significant natural advantages, an enviable research sector, a dynamic working population and an economy that evidently can support investment, it is in this area that subsidies (if they are necessary) should be channelled. Not for oil projects run by companies that are currently literally rolling in billions of dollars of profit. The Government's duty is to protect jobs, revenue streams and existing investments, but it should also be focussing on reducing overall consumption, whilst providing competitively priced green energy alternatives.

For more pricing information, see page 42

Portland
www.stabilityfromvolatility.co.uk

"I've spoken to many companies who now view solar as a valuable asset that not only helps meet corporate sustainability goals but can also be turned into a revenue stream. When that suddenly clicks and the mindset changes, it really is a magical thing to see."

Heavy industry's transition to clean energy

WITH GOVERNMENTAL PRESSURE IN MOST COUNTRIES RAMPING UP AND BOLD DEADLINES TO PHASE OUT FOSSIL FUEL WITHIN THE UPCOMING DECADES, MANY COMPANIES AND INDUSTRIES ARE ADAPTING TO THE LARGE-SCALE TRANSITION TO CLEAN ENERGY. FOR TRADITIONAL HEAVY INDUSTRIES SUCH AS MANUFACTURING AND LOGISTICS, THE SHIFT IS A BIG ONE, AND IDENTIFYING HOW TO ACHIEVE THAT OBJECTIVE CAN SEEM LIKE A VERY COMPLEX CHALLENGE. HERE, **CHRIS VOET**, DIRECTOR OF KEY ACCOUNTS EUROPE AT SOLAREDGE TECHNOLOGIES, A GLOBAL LEADER IN SMART ENERGY TECHNOLOGY, SHARES HIS INSIGHTS ON THE KEY ISSUES THAT COMPANIES OPERATING IN HEAVY INDUSTRIES NEED TO CONSIDER TO ACHIEVE THEIR SUSTAINABILITY GOALS, AND THE BUSINESS OPPORTUNITIES THEY CAN BRING.

Opportunity and challenge

In Europe, there are some 300 industries – many of them international – that have set due-dates to significantly reduce carbon emissions. The years commonly range from 2025 to 2035, and for some, 2050, depending on the country. Promises have been made by companies to shareholders and communities, and pledges posted on websites. While genuine commitment to 'play their part' is a key factor, action is also spurred by incentives from regional utilities to encourage adoption of renewable energy – as well as the incoming carbon taxes on industries that do not meet legislated emissions levels.

Among the companies leading the cause are the heavy industries historically perceived as major polluters, such as oil and gas, chemical and automotive, logistics and large-scale industrial manufacturing. I have been working closely with companies in these industries for over a decade, helping them to transition to renewable energy, specifically solar. These operators typically have large premises and potentially acres of empty roof space, and solar modules provides a very visible demonstration of their commitment to sustainability. At the same time, the flexible nature of solar means it does not typically require planning permission, and, thanks to improvements in solar technology and fluctuating energy prices, the ROI period for solar projects is becoming ever more attractive.

For organisations whose business has never been power generation, making the transition to solar can present a challenge, and

certainly there are several considerations that need to be taken into account. For example, there may be variations in national or even regional regulations that dictate the maximum size allowed for a PV system. Sometimes, the buildings used by companies may not have suitable rooftops, or the buildings may only be leased or rented making the landlord's commitment to installations problematic. Landlords are often reluctant to allow a solar installation with a return on investment (ROI) of less than the occupier's lease.

Within large industrial corporations there can also often be complexity in the decision-making process. This may involve corporate-level management, investors, regional management, plant managers, risk assessment officers, energy managers, sustainability managers, insurance officers, local officials (including fire departments), and often risk, insurance and energy consultants. The challenge here is to ensure all stakeholders in the decision-making process understand what the end-goal is and that they can work together to achieve it.

Addressing concerns before taking the road to transition

Once a company is aligned internally, the next step is to find competent partners who can help it navigate the transition and minimise risk. These are likely to include a mix of companies, from consultants and EPCs to technology providers who can provide expertise based on decades of installing solar systems. These providers could be either local or global depending on the needs of the company, though many companies that have made the transition often find that the involvement of local partners who know the regulatory and operational conditions is very important.

In a recent meeting with a large chemical company, I was asked in jest, 'if our tree has always been fruitful, why take it down and grow a new one?!'. Referencing their longstanding use of traditional energy supply, they knew the answer to the analogy, but it does exemplify a wider industry consensus that while the transition to solar is needed, it comes with a lack of understanding of its value and how to best implement it.

The transition to solar requires a solid understanding of the requirements and risk factors involved. First, the financial case needs to be considered. Solar provides a very attractive ROI over the total lifetime of a system, having saved many of our longstanding customers millions. However, companies will have to bear the majority of

the cost up front as CAPEX. The next step is the process of putting solar panels on the roof of buildings and achieving the promised energy supply, which is a relatively simple and low risk exercise.

Safety and risk management

With chemical, oil and gas, and automotive companies, the main concerns are around safety and risk. These concerns come from a variety of sources, from risk and safety officers, to building managers (and owners), local councils and fire departments, and the companies' insurance managers. The insurance element is, itself, complex as it includes building insurance, insurance of the solar system, business insurance and general liability.

As the solar industry matures and the number of installations increase, stricter safety standards and regulations are now commonplace. These safety standards often outline that should maintenance on the roof be necessary, or in case of an emergency, the solar inverter must be able to reduce the DC current produced by solar panels to a touch-safe voltage within a specified amount of time.

Overcoming fear of risk takes time and requires the right experts to provide credible data-backed input and proper due diligence. We work with Marsh LLC, global experts in risk management and insurance-focused brokerage. Our partnership with such a highly-respected company with a long track record provides a lot of reassurance for enterprises that are considering investing in solar.

Cross-industry collaboration is key

Once the first PV installation has been successfully completed, we find that companies quickly move on to the next one, often accompanied by the question 'why didn't we do this sooner?!'. The completion of each successful solar project becomes the model for the next, albeit local adjustments may need to be made. For example, in some countries excess solar energy cannot be fed into the grid. However, we can help implement energy storage systems so that excess energy can be managed and used to further reduce the dependency on the grid.

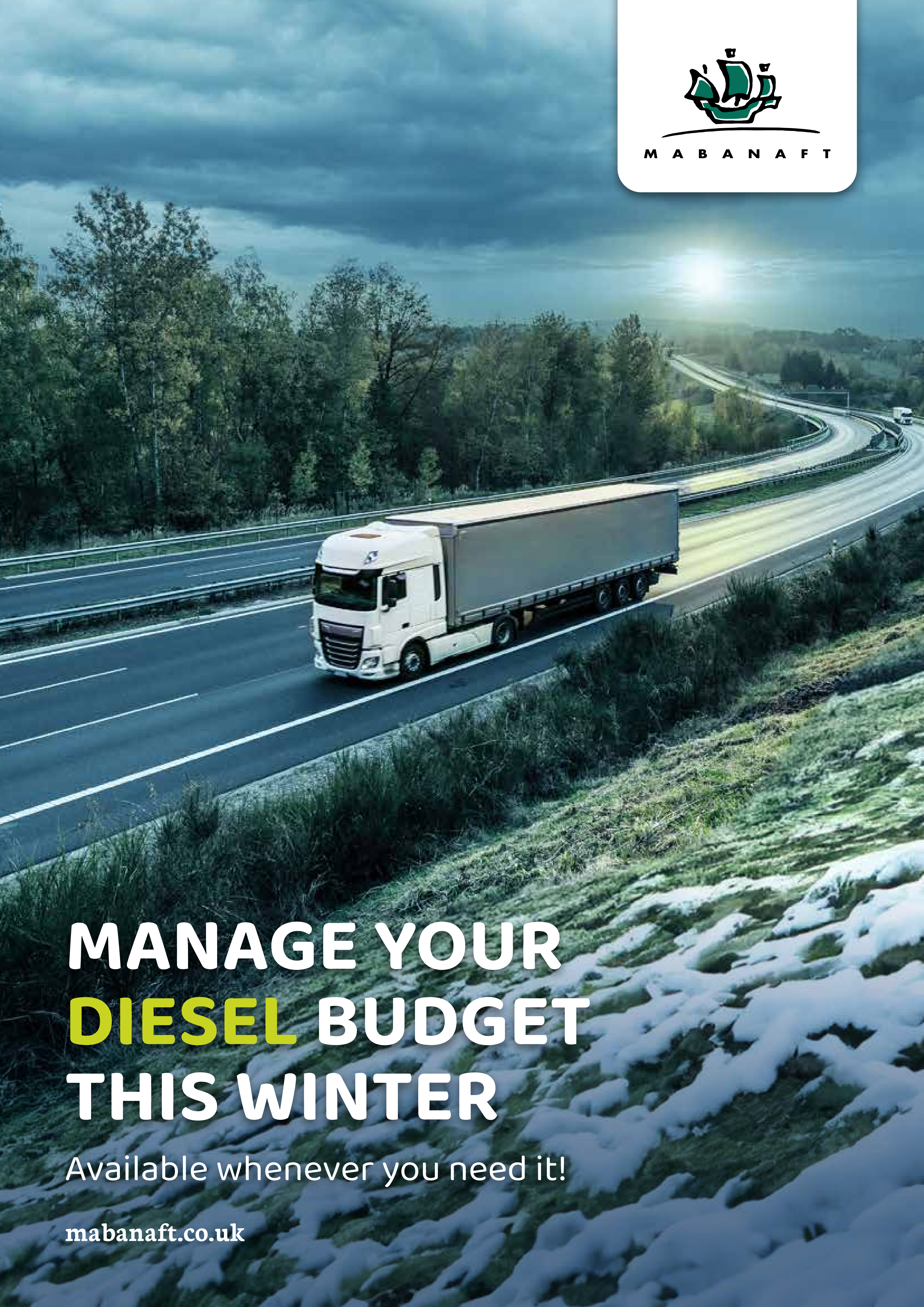
It's important to recognise that every industry has its own unique set of challenges which must be taken also be taken into account to ensure a smooth transition away from fossil fuels. One of the ways we do this is to bring together different companies from within the same industry, for example chemicals, to discuss their requirements and concerns. This helps us to better understand the specific needs of each industry and best guide them on what steps are required to effectively make the transition. You'd be surprised at the level of cooperation these often-competing companies can achieve in order to find the best sustainable energy solution to power their business.

Transitioning to a brighter future

While COP27 certainly shone a spotlight on the need to accelerate change, the reality is that the dial is slower than most of us would like. For heavy industries, the introduction of solar energy requires a shift in mindset on many levels.

For example, it requires greater collaboration between separate departments and responsibilities. It also requires stakeholders to move away from thinking about risk reduction centred around initial CAPEX, to recognizing the opportunities to future-proof businesses, especially against the recent energy pricing volatility we've seen in many countries.

I've spoken to many companies who now view solar as a valuable asset that not only helps meet corporate sustainability goals, but can also be turned into a revenue stream. When that suddenly clicks and the mindset changes, it really is a magical thing to see.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Creating long-term partnerships: a case study with Alpeco and Rawlings Fuels

Alpeco Ltd, the Aylesbury-based supplier of liquid handling and flow control equipment, provides liquid handling expertise across a wide range of market sectors, working with clients to maximise value from the kit they use across their operations.

Tom Morgan, Director at Alpeco, explained more about the long-term partnerships they have with their customers: “We don’t just sell people a product and leave them to it. We like to fully understand our clients’ operational needs in order that we can provide them with a solution that meets their technical requirements, as well as helping to maximise their productivity and improve their bottom line.

“Our work with Rawlings Fuels is a perfect example of this collaborative and rounded approach.

“Rawlings is a fantastic, independent supplier of fuel oils to both the domestic and commercial markets, based in Hampshire. We began working with Rawlings a few years ago and have, year on year, provided them tank and metering equipment for their road tanker fleet. More recently we have supplied them with TEX Flow Computers.”

Full of features

Built from the ground up, the TEX is the result of a three-year R&D program by SAMPI and, as with its Truck III predecessor, the TEX is available as a stand-alone unit or integrated into a revised CHECKMATE control module.

Most significantly, the display, keypad and all electronic circuitry is contained in a single ATEX approved housing, which does not require a separate cab mounted CPU or external junction box. This provides more space in the cab and no cabling to run from the cab out to the register, a major time saver both in terms of installation and maintenance.

Tom highlights other popular features of the TEX. “It has a programmable load inventory that offers added load security and traceability. It displays the compartment grade and volume on its screen, which eliminates the need for a driver to mentally remember what was loaded into each compartment, as the volume of each delivery is automatically deducted from the initial loaded amount.

“It’s also great for stock reconciliation as, at the end of a shift, a ticket can be printed showing what stock is left on board, so there’s no need to waste time pumping left-over product back into storage.”

Cross-over prevention

One of the most notable features of the TEX is its cross-over prevention. TEX memorises both grade and volume in each compartment so, for example, when diesel is selected, the set-up menu only provide options to open compartments containing diesel. Its full colour screen, with large font digits, can also be programmed to display industry recognised colours for each different grade. So, for example, it is easy to recognise when diesel is being delivered as the screen graphics are yellow.

With so much invested in developing valuable features it is understandable that Tom Morgan and the Alpeco team are enthusiastic about what the TEX offers distributors, so we asked Tom Davies of Rawlings for his thoughts on it: “The TEX Flow Computer is a great piece of kit. It has provided us with complete control over our fuel and makes life easier for our drivers. This increases our overall productivity and allows us to look after more clients.

“It’s a perfect example of why we love to work with Alpeco and why we just recently commissioned them to build a new two-arm delivery skid, specifically for our new HVO line offering.”

Tom Morgan shares more about the developments around future fuel solutions: “With an increasing number of businesses exploring HVO as a fuel of the future, we are increasingly being asked to design solutions that help our clients maximise the opportunity this change brings to their businesses.

“For Rawlings, after spending time understanding exactly what they wanted to achieve, we partnered with storage tank manufacturer, OTS Tanks, to design and build a bespoke delivery skid. Complete with pumps and genuine Liquid Controls flow meters configured for loading rates of up 1000lpm, biased as I am, it is a thing of beauty!

“We love what we do and look forward to helping more businesses find the right solution for their liquid handling projects.”

Attract, train, retain:

how to be fit for purpose in the 21st century

SIMON THORPE, MANAGING DIRECTOR AT EXPRESSIONS PARTNERSHIP, WAS AN IMPRESSIVE KEYNOTE SPEAKER AT THE TSA CONFERENCE AND EXHIBITION IN SEPTEMBER, WHERE HE CONSIDERED HOW BUSINESSES CAN ATTRACT, TRAIN, RETAIN AND BE FIT FOR PURPOSE IN THE 21ST CENTURY.

Simon is an experienced performance development specialist and behaviour change psychologist, and has made a significant contribution to individuals, teams and organisations in the business, sports, education, and voluntary sectors. Simon's speciality is to inspire audiences by igniting the potential that lies within us all and he has a passion for enabling performance improvement.

Simon reflects on his talk at the conference: "I was recently invited to speak at the Tank Storage Association annual conference. I had the pleasure of addressing a large audience of professionals on a subject that is affecting every sector and, especially, this one.

"The subject I discussed is not a new one as it happens every time another generation enters the human capital market. So, why is this time any different, and why the need for the address?"

The generational difference of your employees

"Well, this time, the generational difference is greater, and more challenging, than ever before in the history of generation classification.

"Right now, you will probably employ five generations within your workforce – ranging from mid-60's through to new entrants at 17 years of age. In fact, 85% of the global workforce is populated by 21-43 year olds. Again, this doesn't sound so strange, as this has always been the case, it is simply that, now, there is a stark difference within this age demographic, let alone those younger and older. And this population has different expectations of their work life than those currently working out their careers as they approach retirement.

"The global pandemic has also affected the motivation of the younger generation – and none more so than the new entrants who will arrive by 2030, less than seven years from the date of this article.

"Here are 6 pragmatic tips your organisation can take and implement to be fit for purpose in attracting, training and retaining in the 21st Century…"

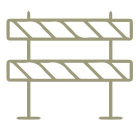
1. Cultural audit

There is no point spending time, effort and money attracting new employees if your culture is not fit for purpose. This is like pouring water in a cup with a hole in the bottom, it's a tiresome task with no return on investment.

Leaders, stop leading from the boardroom, get back to the frontline at least once a quarter so you understand the business from the people who make it happen. Visual leadership is not only advantageous, but also expected.

The main difference between your generation and those born in the last 26 years is their relationship with work. The younger generation want to enjoy their work. They want to thrive, flourish, and make a difference. Stop using the word 'compensation' to describe what an employee will get if they work for you! The positioning is all wrong.

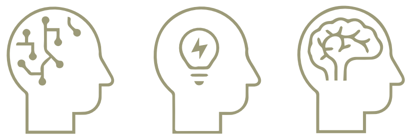
Does your culture support this or will they be met with 'mood hoovers' from the first day on the job?



2. Obstacle removal

Traditional entry level qualifications are obstacles that get in the way of attracting the future of your organisation. More globally recognised companies are reducing, or even removing, the requirement for a degree qualification to join them as there is little evidence of relevance to the job they are applying for.

Of course, there are exceptions to the rule but, typically, the in-house development is far more relevant than the degree they attained at any University.



3. Think differently about traditional practises that may no longer be fit for purpose.

Job descriptions tend to restrict what the entrant does in your organisation when they, and you, don't know where their strengths lie.

Consider a tour of duty where new entrants work in different areas within your business, so that they understand the value chain, appreciate the collective contribution and find where they fit – both in terms of interest and the motivation to deliver.

4. Alignment

With the younger generation wanting to make a difference to the world, align your recruitment to their purpose.

Tap into the future sustainability of what you do and how you will be contributing to a better world. Express your desire to hire people who are passionate about this and how you want to explore their ideas and enable global betterment. Instantly there is a connection, but this can only succeed if you take note and action the first tip above.

5. Video-based learning

Whilst some learning and training is still best absorbed face to face in real time, the world has become infatuated with learning via digital platforms. YouTube is by far the most widely used platform for finding out anything – from changing a plug to installing a reverse osmosis water system – and almost everything else as well.

So why not utilise this obsession and create video-based learning for your standard operating procedures as well as the basic departmental practises? It is relatively inexpensive and enables quick answers with minimal bottle necks whilst increasing everyone's efficient productivity. (Scan the QR code to the right).

6. Grow your own

Sadly, the decline of STEM schools, and the changing education system, mean that many young apprentices, or new entrants, lack the skills needed for the roles you must fill. You will need to proportion a greater amount of your budget to growing your own talent by utilising the knowledge, skills, and experience of existing grandparents (an affectionate name for the wiser employees within your organisation).

Train this more established generation in how to interact and develop the younger generation and create interactive learning and development. Start with structured work experience for school pupils as well as internships for interested higher education students and progressive programmes with relevant qualifications for apprentices.

We have assisted many different organisations to create their own internal Academies with disciplines aligned to career maps and succession management.

No single generation has all the answers, despite what they might think. The meeting of minds allows greater understanding and the best ways forward. This can only happen when both parties appreciate the other and there is a mutually agreed purpose to achieve.

Don't be one of those people that sounds like their dad complaining about the youth of today. Listen, learn, and educate in equal measures to create a sustainable future for your organisation, sector and the world.

Simon Thorpe – Expressions Partnership

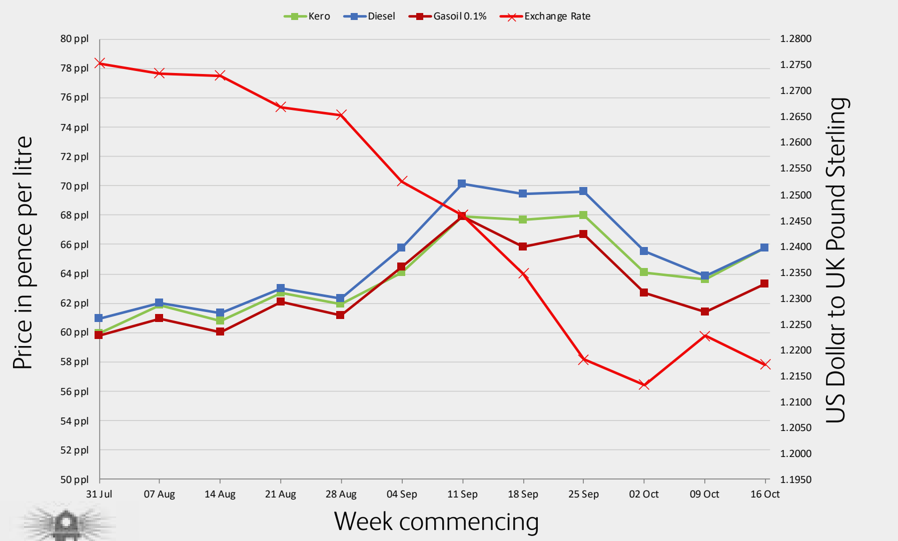
Simon is the managing director of The Expressions Partnership – a professional team of passionate people with a central ambition to help individuals, teams and organisations improve performance. The organisation designs and delivers learning and development training programmes including one-to-one coaching, group workshops, large scale seminars and blended learning options on a range of subject areas.

https://expressionspartnership.com/

Wholesale Price Movements: 19th September 2023 – 18th October 2023

	Kerosene	Diesel	Gasoil 0.1%
Average price	65.80	66.86	64.03
Average daily change	1.48	1.48	1.42
Current duty	0.00	52.95	10.18
Total	65.80	119.81	74.21

All prices in pence per litre



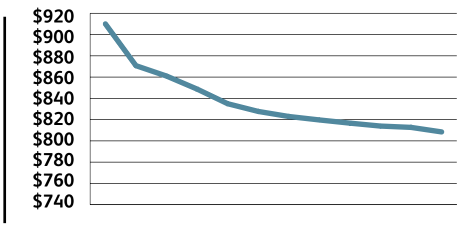
Portland

Kerosene	Highest price	Biggest up day
	69.65	+3.75
	Thu 21 Sep 23	Fri 13 Oct 23
	Lowest price	**Biggest down day**
	60.48	-3.59
	Thu 03 Aug 23	Thu 05 Oct 23

Diesel	Highest price	Biggest up day
	71.48	+3.64
	Thu 21 Sep 23	Fri 13 Oct 23
	Lowest price	**Biggest down day**
	61.65	-3.89
	Fri 06 Oct 23	Thu 05 Oct 23

Gasoil 0.1%	Highest price	Biggest up day
	68.37	+3.88
	Fri 29 Sep 23	Fri 13 Oct 23
	Lowest price	**Biggest down day**
	59.26	-3.76
	Fri 06 Oct 23	Thu 05 Oct 23

Gasoil forward price
in US$ per tonne



November 2023 – October 2024

The Fuel Oil News Price Totem

	Trade average buying prices			Average selling prices		
	Kerosene	Gasoil	ULSD	Kerosene	Gasoil	ULSD
Scotland	63.76	73.06	118.73	72.69	78.06	123.38
North East	62.71	71.69	117.81	75.18	76.37	121.23
North West	64.28	74.29	120.20	72.84	78.63	123.25
Midlands	62.78	72.22	118.27	71.20	76.82	121.98
South East	62.88	72.18	118.25	80.25	80.20	121.47
South West	63.23	72.02	118.09	74.42	76.61	121.03
Northern Ireland	63.34	73.39	n/a	71.60	79.01	n/a
Republic of Ireland	77.10	78.82	119.67	84.28	83.48	123.46
Portland	61.09	69.74	114.96			

The price totem figures are indicative figures compiled from the Portland base rate using calculated regional variances.
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 €.

Wholesale prices are supplied by Portland Analytics Ltd, dedicated providers of fuel price information from refinery to pump.
For more information and access to prices, visit www.portlandpricing.co.uk

WELCOME TO NOVEMBER'S EDITION OF OUR SPECIAL MONTHLY FEATURE WHICH GIVES YOU THE OPPORTUNITY TO 'MEET' AN INDUSTRY FIGURE AND, HOPEFULLY, TO DISCOVER ANOTHER SIDE TO THEM BEYOND THE WELL-KNOWN FACTS. THIS MONTH WE CHAT WITH **MARK DEENEY**, THE RECENTLY APPOINTED RENEWABLES DIRECTOR AT CERTAS ENERGY.

"SOMETIMES YOU LEARN MORE BY SAYING 'NO'."

MARK DEENEY

Please give your career history in 25 words or fewer
Twenty years working in construction and renewables across the supply chain, from manufacturing and distribution to installation, in both a commercial and operational capacity.

Describe yourself in 3 words.
Hardworking. Loyal. Practical.

What were your childhood / early ambitions?
To travel the world while still being able to have my career.

Describe your dream job (if you weren't doing this?)
Owning a bar or a restaurant on the beach and in the sun.

What's the best business advice you've ever received?
That sometimes you learn more from saying 'no'.

Share your top tips for business success.
- Work hard, there are no shortcuts in life.
- Always listen to, and learn from, the people you work with.
- Nobody knows it all.

What's your most recent business achievement of note?
Joining Certas Energy to lead the energy transition and renewables division.

Tell us your greatest fear.
Being trapped in a small space.

Which is most important – ambition or talent?
Ambition.

What's the best thing about your job?
Being able to proactively help companies to achieve their carbon reduction goals while building valuable relationships with colleagues and customers.

Which is the quality that you most admire?
Honesty and integrity.

What are you most likely to say?
"Yes. Go for it."

What are you least likely to say?
"It's not my job."

Describe your perfect day.
Going for a walk in the countryside with my wife and dog, followed by lunch and a few drinks while watching Ireland play rugby.

Do you have a favourite sports team?
The Irish Rugby Team and Donegal GAA Football team.

What's the biggest challenge of our time?
Climate change.

Cheese or chocolate?
Cheese.

Share your greatest personal achievement.
Marrying my wife.

What's your pet hate or biggest irritant?
Arrogance.

If you were on 'Mastermind' what would your specialist subject be?
Boxing.

If you were elected to government, what would be the first law you'd press for?
Providing more governmental support with energy costs, such as helping with the initial costs for the installation of renewables.

If your 20-year-old self saw you now what would they think?
"Who's he?"

What is number 1 on your bucket list?
Visiting Monterey Bay Aquarium.

What 3 things would you take to a desert island?
A knife, flint and a hammock.

Tell us something about you that people would be very surprised by
I love heavy metal music and I used to have long hair.

Who would you most like to ask these questions of?
Irish boxing champion Katie Taylor.

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