

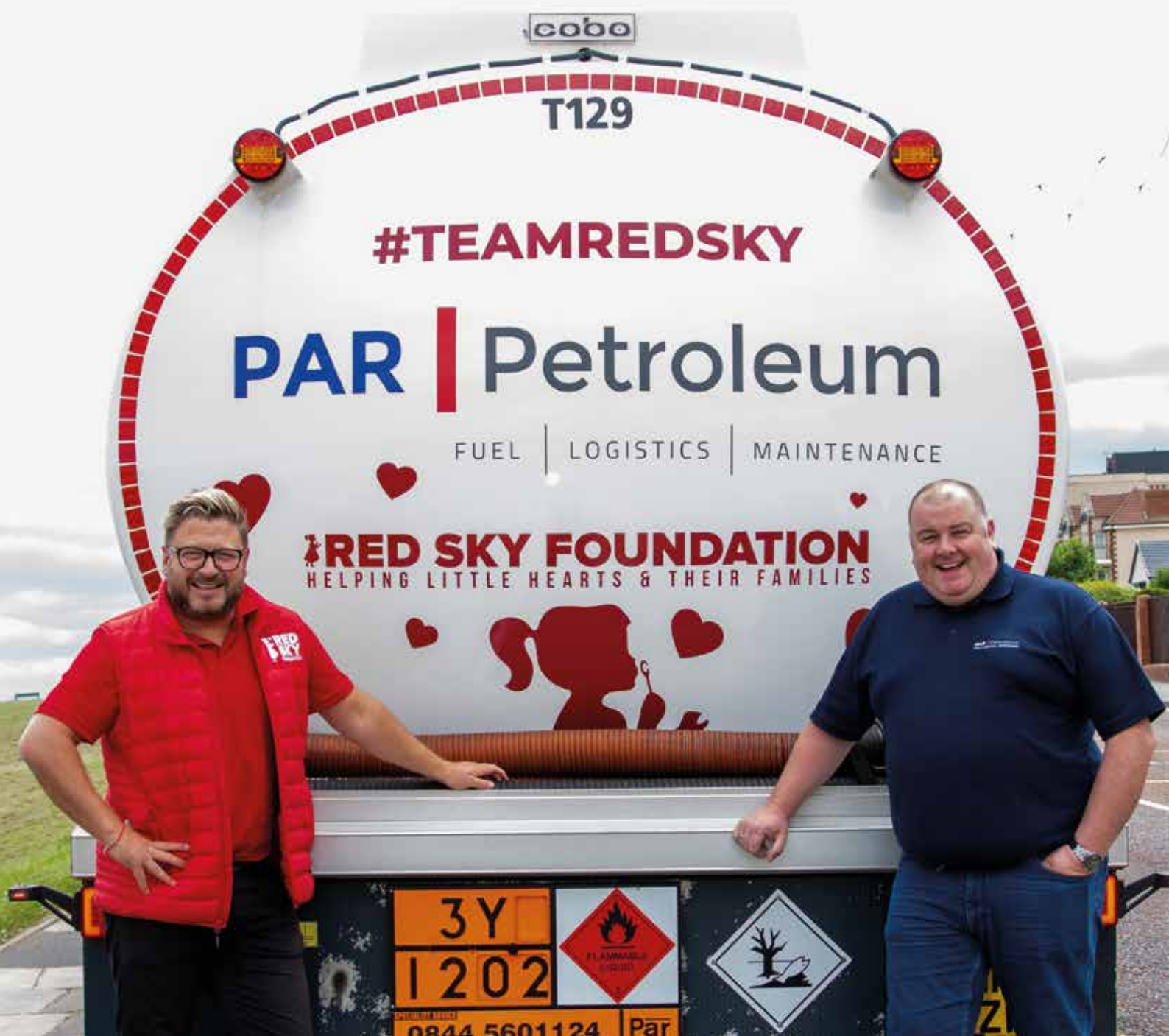
# Fuel Oil News

NOVEMBER 2022

## THE ISSUE OF BALANCE

COMMUNITY CONTRIBUTIONS

DEPOT DEVELOPMENTS





# PREMIUM FUEL FOR YOU AND YOUR CUSTOMER

IMPROVED EFFICIENCY | IMPROVED ECONOMY



## Ensure your customers chose wisely for their wallet and their boiler this winter.

### **exocet® Premium Heating Oil Additives** (Fragranced and Unfragranced)

An additive pack for domestic kerosene (BS2869:C2) that can be used to create a premium grade fuel. It is available with the inclusion of fragrance for use in environments sensitive to fuel odours or where sensory evidence of the premium fuel needs to be demonstrated.

- Lowers carbon emissions
- Stabilises fuel – increases its shelf life
- Inhibits sludge formation
- Minimises the potential for fuel tank corrosion
- Reduces deposit build up around nozzles and on heat exchanger surfaces
- Reduces service problems
- Improves system efficiency
- Has a fresh fuel fragrance (fragranced version)

### **exocet® Cooker Additive** (XO1490TA)

A specialist fuel additive designed to improve the 'burn quality' of domestic kerosene when used in range-style cookers and boilers and/or where vaporising burners are being utilised.

- Controls Char value
- Reduces build up of carbon deposits and soot
- Inhibits growth of deposits in fuel storage tanks
- Preserves fuel in storage - Increases the fuel shelf life
- Reduces service problems
- Maintains fuel flow
- Endorsed by Esse

**Call us today to order  
your additives on 01743 761415**

Fuel Additive Science Technologies Ltd  
Unit 29 Atcham Business Park, Shrewsbury, Shropshire, SY4 4UG  
Tel: 01743 761415 [www.fastexocet.co.uk](http://www.fastexocet.co.uk)



# The important issue of balance

Literally as I write, we find ourselves with a new PM elect, in Rishi Sunak, as Penny Mordaunt steps away, avoiding yet another divisive leadership election.

In an increasingly polarised society, it is increasingly hard to 'find the common ground' or even have a reasonable discussion in an attempt to.

The much-lauded unity of the London Olympics of 2012 is a distant memory as we see polarisation, once confined to the heady 'not to be discussed at the dinner table' topics of politics and religion, seeping insidiously into every aspect of life.

Every coming together, from family gatherings to workplace meetings to nights at the local, seemingly another opportunity for the heated debate that arises from firmly entrenched positions.

The challenges to overcome; the energy cost crisis, the threat to energy supply resilience, and the existential threat of climate change impacts, all appear to throw up impenetrable walls.

The one response guaranteed to fail to overcome these, is for those with oppositional strategies to turn away from the wall and face each other, using all their energy to engage in a battle

of convictions while the wall stands by unmoved.

So how do we function in this increasingly oppositional world? All too often we assume the conflict arises from intellectual disagreement or misunderstanding the facts, so we attempt to convince by repeating our facts and understandings more frequently and more loudly.

Yet, the issues of the last few years that have created the biggest divisions – Brexit, Covid response, climate and politics – have one thing in common. They are issues where 'gut-feel' has overridden any consideration of 'facts' and attempts to convince only serve to further entrench.

Where disagreement arises from vastly differing world views then it is emotion and not issue that is dividing us and, if we are to successfully take on the walls, it is essential that we step back from 'them' and 'us' to establish the common ground and the ways in which we can work together as 'we'.



**Margaret Major**, Managing Editor

✉ [margaret@fueloilnews.co.uk](mailto:margaret@fueloilnews.co.uk)

🌐 [www.fueloilnews.co.uk](http://www.fueloilnews.co.uk)

☎ 07786 267527

# Fuel Oil News

The independent voice for the fuel distribution, storage and marketing industry in the UK and Ireland.

*Founded in 1977 by James Smith*

[www.fueloilnews.co.uk](http://www.fueloilnews.co.uk)

## 4, 5, 7 & 9 INDUSTRY & PRODUCT NEWS

### 8 INDUSTRY FOCUS

A year in fuel distribution – did it go as planned?

### 10 A DAY IN THE LIFE

A typical day in the unpredictable world of tank services.

### 12-13 INDUSTRY ANALYSIS

Products and services supporting depot developments

### 14-15 INDUSTRY VOICE

How climate change impacts are affecting practices

### 16 IRISH FOCUS

A breakthrough for HVO, and the latest supply update.

### 17 INDUSTRY KNOWLEDGE

Is your business ready for the ESOS Phase 3 deadline?

### 18-19 INDUSTRY VOICE

Balancing the perennial need for energy security with the urgent need to reduce emissions

### 20-21 IN CONVERSATION

A tanker manufacturer leading from its one stop shop

### 22 PORTLAND REPORT

150 energy talking points – oil and everything else

### 23 INDUSTRY FOCUS

How you can improve your resilience to cyber threats

### 24 & 25 INDUSTRY INSIGHT

The UK's refineries – past, present and future

### 26 PRICING PAGE

### 27 IN PROFILE

A farmer's son who is scared of big barking dogs



**Claudia Weeks**

Content creator

✉ [claudia@fueloilnews.co.uk](mailto:claudia@fueloilnews.co.uk)

☎ 07436 338241



**Liz Boardman**

Content creator

✉ [liz@fueloilnews.co.uk](mailto:liz@fueloilnews.co.uk)

☎ 07970 802999



**Natalie Persoglio**

Social media executive

✉ [natalie@fueloilnews.co.uk](mailto:natalie@fueloilnews.co.uk)

☎ 07485 372627



**Rhian Burge**

Subscriptions

✉ [rhian@fueloilnews.co.uk](mailto:rhian@fueloilnews.co.uk)

☎ 07485 372626



**Adrian Major**

Sales manager

✉ [adrian@fueloilnews.co.uk](mailto:adrian@fueloilnews.co.uk)

☎ 07909 968982

## On the cover

Sergio Petrucci of the Red Sky Foundation and Stuart Hardy of Par Petroleum, standing proudly alongside a specially liveried tanker. Read how this eye-catching tanker is fundraising for the Foundation on page 4.



## In this issue

We hear from Road Tankers Northern on pages 20 and 21 and key industry figures discuss how climate change is affecting industry practices on pages 14 and 15 as well as the challenge of balancing conflicting demands on pages 18 and 19.



## Par Petroleum's charity tanker hits the road to raise funds

**A specially branded tanker, created by Par Petroleum, has taken to the road to raise money and awareness for a local heart charity.**

Joining forces with the Red Sky Foundation, the family-run, North-East based fuel distributor has wrapped one of its articulated fuel tankers in the charity's distinctive branding.

The 44-ton Scania truck hit the road in July and will be driving across the region for 12 months, with Par Petroleum donating 5p for every kilometre it travels.

The tanker will also help to raise awareness of the Foundation's mission to improve the lives of people needing cardiac care who are born with, or develop, heart conditions, by providing lifelong support to them and their families.

Sergio Petrucci, founder of Red Sky Foundation, said: "Like almost all charities, we rely quite heavily upon the support of

businesses, and I'm thrilled to be working with the fantastic team at Par Petroleum to launch our first charity tanker.

"It looks absolutely amazing, and it's going to spread our cause far and wide, as the truck will be spotted all over. I'm looking forward to seeing how many people we can reach."

Stuart Hardy, operations director at Par Petroleum, said: "From our first contact with the charity we were bitten with the Red Sky bug. Sergio's passion and commitment is clear to see, it's so refreshing for a charity to have so much transparency.

"The charity tanker seemed like a great way to cement our partnership and spread the Red Sky Foundation's message on the North-East roads every day."

### Avid supporter

Based in Houghton-le-Spring, Par Petroleum has delivered fuel to homes, farms, and



businesses across the region for more than 30 years and has been an avid supporter of the Red Sky Foundation for the past three years, supporting the charity's various fundraising events through sponsorship, participation and following their education project across schools and local communities.

To celebrate the launch of the charity tanker, Par Petroleum and Red Sky Foundation will also be launching a treasure hunt style competition, encouraging people to spot the tanker and share photos on social media.

To find out more about Red Sky Foundation and the upcoming competition, visit: [www.redskyfoundation.com](http://www.redskyfoundation.com) or [www.par-petroleum.co.uk](http://www.par-petroleum.co.uk)

## The Crown Oil team conquering mountains in support of local Hospice

**Crown Oil, the Greater Manchester based distributor, has been busy supporting one of its chosen charities – Bury Hospice.**

Matthew Greensmith, managing director of Crown Oil said: "Although Crown Oil has grown to become a national leading fuel supplier over the last 75 years, our roots remain in our hometown, Bury. We're proud to be a Greater Manchester business and are passionate about helping our local community in any way we can."

In September, the Crown Oil team took on Snowdon, raising over £850 for Bury Hospice. The team were guided by Mountain Edge Trekking and Adventures allowing them to explore some brilliant routes that were off the usual paths.

Our heartfelt congratulations to Crown Oil for raising vital funds for such a thoroughly worthy cause.



If you would like to support Bury Hospice by sponsoring Crown Oil then please go to: [www.justgiving.com/team/crownoilsnowdon](http://www.justgiving.com/team/crownoilsnowdon)

knowing  
what happens  
next



### Meet the challenges ahead through transparency!

Discover how smart remote tank monitoring and data analysis will help you optimise order management and save up to 30% on logistics costs.

Download our whitepaper now!

[www.foxinsights.ai/downloads](http://www.foxinsights.ai/downloads)



# Heating oil payment to be made through electricity bills

**The government has confirmed how the Alternative Fuel Payment Scheme for domestic heating oil users will be administered, with the payment being made through electricity bills rather than fuel distributors.**

Initially announced as part of the government's Energy Prices Bill measures, the scheme will deliver a one-off payment of £100 to all UK households who are off gas grid and using alternative fuels for home heating.

The announcement last month means that home heating oil customers in the UK will receive the payment to help with rising energy costs but, with the huge increases in the cost of filling a tank, many have criticised it as being inadequate. Northern Ireland politicians were especially vocal in their criticism with around two thirds of households in Northern Ireland using heating oil.

The smaller level of support for oil heating reflects how gas prices have risen more sharply than oil in the last year and the £100 will be delivered as a top-up to the £400 Energy Bills Support payment, which is going to all UK households.

## Significantly less help

On the question of the fairness of the payment, Malcom Farrow, head of public affairs at OFTEC commented: "Because the support for gas and electricity reduces the actual unit cost, these users will benefit in direct proportion to the energy they use. By comparison, at first glance the flat payment for oil users does not appear generous.

"It seems the value of the payment may have been based on the energy usage of an 'average home', rather than for a typical oil-heated home, which tend to have significantly higher energy demand than a gas heated equivalent because they are often bigger, older and detached. So it's likely that most off gas homes and businesses are getting significantly less help than those on gas."

## Payment mechanism

The government issued an update on the scheme in mid-October, announcing that the mechanism for this payment will be in the form of a credit to electricity bills, but it was still not clear when it will be paid, with a statement only



referring to "this winter."

"Households eligible for these payments will receive £100 as a credit on their electricity bill this winter," a statement said.

"The £100 payment has been calculated to ensure that a typical customer using heating oil does not face a higher rate of growth in their heating costs since last winter, in comparison to those using mains gas who are supported by the Energy Price Guarantee," it continued.

## Assisting the government

With the heating oil market structured very differently to that for gas and electricity, the trade association for the liquid fuel distribution industry, UKIFDA, has been working with the government to help advise on the most effective and immediate way to administer the funds to heating oil users.

Following the announcement UKIFDA released the following statement.

"UKIFDA, the trade body for the liquid fuel distribution industry, notes the government announcement this morning confirming that the £100 fixed payment to heating oil users will be made via electricity companies.

"Through multiple discussions with the government, it became clear that, because of the highly competitive nature of the heating oil market with customers holding multiple accounts through different distributors and outlets, a quick method of payment through these accounts without duplication was not

possible.

"We will continue to offer assistance to the government in the design of the payment system through electricity companies. This will take time and customers should await further details from the government.

"We also note that eligible customers that do not have a relationship with an electricity supplier will be supported through an alternative route to make sure they do not miss out. Details of this alternative route will be confirmed by the government shortly."

## Don't wait to buy oil

"As before, we recommend that customers do not wait if they need heating oil. As we head into winter, many oil heating customers will know that the best and most economical approach is to talk to their local distributors on a regular basis and not leave purchases to the last minute."

## Further intervention

The payment will also go to people who use LPG, coal and biomass as their main heating fuel, but it is not yet clear how people will be expected to prove that they use these forms of heating.

The statement also added that the government would continue to monitor the prices of alternative fuels, such as heating oil, and would consider further intervention if required.



# Winter is coming.

**But don't let that leave you feeling cold.**

Harvest Energy is one of the largest and fastest growing independent fuel suppliers in the UK. As a supplier of Kerosene we can be flexible, competitive and you can be confident of delivery. With Kerosene supply now available at Grays, Jarrow and Grangemouth you can rest assured your customers will be kept warm this winter.

**Kerosene available at: Grays | Jarrow | Grangemouth**

**Sales Hotline:**

**+44 (0)1932 843 354**

**[harvestenergy.com](http://harvestenergy.com)**



A member of the Prax Group

# A bright future ahead for the industry's newest recruit

LCM Environmental Services Ltd recently welcomed their first office apprentice at the start of September. An ambitious young man, Leo Garner, 16, is eager to learn more about the fuel supply and tank industry.

With our next issue – Fuel Oil News December – looking at the challenges of attracting the NextGen to the industry we set the scene here by hearing more from one of the sector's youngest, and most recent, recruits.

Appointed operations assistant, Leo's role encompasses the provision of general business support to LCM's continually growing project management team. As the youngest company team member, Leo goes to college as well as completing a part-time apprenticeship for LCM. He's an avid golfer and soon-to-be-elected Junior Captain of the Royal Ghyll Golf Club.

A short Q&A with Leo reveals more about the newest addition to the LCM team:

**Q: Why did you choose LCM?**

I chose LCM as it is a rapidly growing company and it felt like the right choice for learning 'on the go'. People here are very welcoming



and friendly; I don't doubt they will help and support me on my business development journey.

**Q: What do you hope to achieve?**

Not being too familiar with the industry, I aim to get fully immersed in it, in time. I want to gain a deep understanding of all the different roles within the business and find my perfect place within it.

**Q: What made you choose this industry?**

Having my father working in the industry has made me curious about it throughout the years. Choosing LCM Environmental as my first job role and beginning my career path has been

the clear choice for me from an early age. The staff are fantastic, I felt right at home when I first stepped through the door – so it made me want to stay and move forward with them.

**Q: How would you describe yourself?**

I've got an eagerness to learn and get better at everything I do; I'm persistent with what I want and it's not in my nature to give up. When I'm not at college or at work, I like to play golf, football, and cricket.

Jeremy Cosway, LCM Environmental operations director said: "As we continue to grow, we need to keep exploring what talent is available to join our team; be it seasoned professionals or the best young people who are wanting to start out in the world of work.

"Leo has settled in immediately within our team and is delivering a fantastic service for his internal stake holders. We all agree that we can see a bright future for him."

**Do you have thoughts on recruiting the NextGen to the industry or a young employee keen to share their thoughts on working in the sector? Contact [claudia@fueloilnews.co.uk](mailto:claudia@fueloilnews.co.uk).**

## Emissions to be covered in schools

ElimiNOX is actively engaging with communities to spread the message of the health benefits which come from cleaner air.

With climate change part of the national curriculum in many areas, one of the company's latest projects involves developing educational materials to help schools to communicate how toxic emissions arise from engines, and how carbon reduction programmes work.

Professor Tony Granger, chairman of ElimiNOX commented: "Much is said about carbon reduction and what steps businesses can do to reduce their own carbon footprints. However, carbon is just one of many harmful emission gases in our atmosphere.

"One of our goals as a business is to be more involved in the Clean Air campaigns to have a healthier environment. A recent study found that air pollution particles can reach babies in the womb with 'black carbon particles' found in all mothers and new-borns in the study.

"PM 2.5 and PM 10 (particulate matter) are toxic soot particles emitted by untreated engines and in built-up areas can become a major concern for health, resulting in death for those with respiratory problems."

## Essar strengthens governance through Board appointment

Essar Oil UK has announced the appointment of Mark Palios, chairman and co-owner of Tranmere Rovers FC, as an independent non-executive board director.

Mark has co-owned Tranmere Rovers, with wife Nicola Palios, since 2014, and brings over 40 years of commercial and senior leadership experience to Essar. Based in the North West, he is well-known across the region through his ownership of Tranmere Rovers and brings deep knowledge of the local community to the Board.

**Highest level of governance standards**

The appointment by Essar marks another step in strengthening its corporate governance framework.

Committed to operating the highest level of governance standards across its business, last year Essar committed to the Wates Principles – the corporate governance framework for large privately-owned businesses in the UK. Mark's addition to the Board follows Essar's appointment of Tim Bullock as an independent non-executive director in June 2021.

As well as supporting the Board and business in corporate governance and community relations, Mark will also support Essar's continued commercial growth strategy

and long-term decarbonisation and energy transition plans.

**Invaluable**

Prashant Ruia, non-executive chairman of Essar Oil UK, said: "We would like to welcome Mark to Essar Oil UK's Board. He brings over 40 years' commercial experience combined with an invaluable connection to our local community. As Chairman of Tranmere Rovers, we have got to know Mark and worked with him in supporting the activities of this leading community club. We are committed to upholding the highest standards of corporate governance, and this appointment forms a central part of that."

Mark added: "I am delighted to join Essar's Board. This is an exciting time in the company's continued growth plans, as it delivers on its commitment for transforming for tomorrow by becoming a leader in the energy transition.

"As owner of Stanlow and Tranmere Terminal, Essar has played a critical role since 2011 in securing the long-term future of this vital national manufacturing asset and supporting thousands of local jobs. Essar's leadership has an innovative and exciting vision for the UK's future low-carbon energy market, and I am looking forward to being a part of it."



# Bedford Fuels: one year on

At the start of this year, we spoke with Bedford Fuels Ltd, an ambitious new entrant into the fuel distribution community. The company celebrated its 1st anniversary at the beginning of October so we caught up with Paul Craddock, director, to find out if the first year had gone to plan.

“It was a challenging first year,” Paul began, somewhat understating the unforeseen turbulence that was to mark the year that followed the company’s launch. “We launched in October 2021, meaning that our first year of trading began with panic at the pumps and a mild winter, rapidly followed by an extremely volatile market and oil price spikes triggered by the invasion of Ukraine.”

“The high prices continued through the summer, as did the totally unpredictable market, with the end of the summer bringing with it a dry harvest, the cost-of-living crisis and more product shortages. Despite all this, we have had a remarkably good year!”

## Two years ahead of plans

In our previous conversation with Bedford Fuels, which featured in our January issue, we highlighted the challenges facing anyone

launching a new business in such a rapidly changing industry, but also the advantages the management team brought to the business. With previous experience in the sector as well as clear drive and determination, we were sure they would make a success of it – and Paul is pleased to confirm our belief was well-placed: “Basically we are two years ahead of my plan and where I thought we would be.”

The aim of the business was ‘to become established and recognised as the place to go for a quick and competitive fuel supply’ and the progress made has surpassed expectations in all areas, as Paul details: “Having started with three rigid delivery tankers and one artic, after year one we now have seven rigid tankers and two artic.”

And it isn’t just the fleet that has expanded: “We started the business with two drivers and now have eight, and there are now six in the office where we began with four.”

## Surpassing all expectations

As a fuel distribution business, the volume of fuel supplied is a key measure of success and the figures for year 1 certainly don’t disappoint.

“Initially focussing on our core area of

Bedfordshire and Hertfordshire we always had ambition to grow geographically, and we have already expanded our delivery area to cover outlying areas,” Paul tells us. “Our forecast for year 1 was 9 million litres, but we ended up delivering 14 million litres.

With the business now also delivering to Cambridgeshire, Buckinghamshire and Northamptonshire, Paul confirms there is still room for expansion: “The forecast for year 2 has now been revised to 19 million litres.”

Capacity has also grown to accommodate the demand: “We started with two 50,000 litre storage tanks and have now installed two additional 70,000 litre tanks, taking the total depot capacity to 240,000 litres and our bottom loading skid has also been upgraded from three to four arms.”

## Future diversification

Along with the two other directors of the business, Martyn Clark and Anthony Kinns, Paul is now looking at other ways in which the business can expand its services to benefit both its local area, with additional opportunities for employment, as well as the broader fuel distribution community.

“We are already looking for additions to both the fleet and the team,” Paul explains.

With valuable experience in logistics operations, having been an equal shareholder in a fuel logistics business, Martyn explains how this experience will help further expand the Bedford Fuels offering: “In early July 2023 we will start building our artic fleet to supply other distributors, help larger bulk customers and offer our services to other hauliers and majors that need extra capacity. etc.

“We also have plans to build a Bedford fuels training arm, to allow drivers to do their PDPs, ADR, CPC at our depot.”

It has been quite the first year for Bedford Fuels and we look forward to hearing what the next one brings!





## Durability at the heart of TouchStar's new shock-absorbent tablet

TouchStar Technologies PLC, specialist in the design, supply and support of rugged mobile computers, has announced the release of the TS3300 tablet mobile computer which has been designed to withstand the tough demands of operation in fuel distribution.



Drawing on over thirty years of experience of manufacturing mobile technology, TouchStar has built the TS3300 around three core principles: durability, safety and ease of use.

### Unparalleled protection

Designed to be rugged from the inside-out, each of the TS3300's components is housed in an ultra-shock-absorbent rubber matrix. This unique approach to shock dispersal differentiates the TS3300 from its competitors by placing durability at the heart of the device, rather than adding a boot or bumper as an afterthought to the standard tablet. The result is unparalleled protection from shockwaves and vibration that can dramatically reduce the lifespan of crucial hardware.

CEO Mark Hardy stated: "In making the TS3300 we changed our approach. We designed the tablet to be slimmer, smarter and stronger than its competitors starting from the inside out. This latest release also utilises octo core processing technology – making it unbeatable on performance."

The cradle's revolutionary magnetic dock and lock system facilitates one-handed docking, locking and rapid removal. The TS3300 becomes the nerve centre of in-cab operations with minimal dashboard clutter and maximum driver visibility. Going mobile is effortless due to the lightweight, ergonomic shape and 7" glare-proof screen.

The TS3300 is fully compliant with the ATEX Zone 2 IECEx directive, allowing safe use in potentially explosive environments, such as fuel distribution. The unit can also withstand drops of up to 1.5m onto concrete and operate in temperatures of -10o C to +50o C, marking it as the most rugged terminal in its class.

The TS3300 runs on Android 10.0, with additional features including a high-resolution, rear-facing camera and 4G, Wi-Fi and Bluetooth communication capability.

Gordon Hyland, sales director, encourages distributors to: "Get in touch to arrange a demonstration of this unique new tablet."

## Kingspan launch strengthens distributor offering

Kingspan Sensor, part of the Kingspan Water & Energy division, and one of the leading global manufacturers of fuel tank telemetry devices, is bringing a number of additional operational and commercial benefits to distributors with the launch of its Watchman Radar solution.

The ATEX-approved device has been designed using advanced communication technology to future-proof its operational capabilities.

The unit is quick and easy to fit with no requirement to drill holes to install it on a plastic tank (even if bunded). The Radar device simply sticks to the outer surface with the radar-based sensing technology measuring tank levels through the tank wall with accuracy and precision.

The Bluetooth installation is also simple, using an easy-to-follow step-by-step guide within the popular 'Watchman Toolbox' smart phone app.

### Remote management of customer fuel tanks

Data from each unit is transmitted back to Kingspan's award-winning, cloud-based Connect Sensor platform.

By accessing the platform, distributors can download information from customers' fuel tanks, enabling tank populations to be managed entirely remotely using online tools with support as required.

The data can also be imported into third-party software systems to further automate the process such as setting tank level thresholds to enable the system to automatically flag tanks that need refilling and generate a ticket without the need for any manual input.

Using the information delivered by the Watchman in this way, distributors can benefit from logistical savings, greater driver productivity, optimised higher fill volumes, improved customer retention rates, and a reduction in 'left on boards'.

### New micro-payment option enables rapid scale-up

"The Watchman Radar solution is unquestionably one of the most innovative oil tank telemetry devices currently on the market today," says Nick Hawkins, Kingspan's commercial director UK & Ireland.

"Telemetry is now widely being deployed by our customers across the industry as fuel suppliers look to optimise their fleets and increase customer loyalty programmes in today's problematic times.

"As well as the new Watchman Radar solution, we have also launched a new micro payment option to meet the increased industry demand. This allows our customers to scale their telemetry deployments much quicker than before."

## MechTronic welcomes new team members in response to business growth

The last couple of years have seen rapidly increasing demand for MechTronic's electronic metering system, OptiMate, with around 300 confirmed orders placed in addition to the more than 540 systems already delivering in the UK and Ireland.

Brad Wilkie, managing director commented: "As part of our ongoing investment and as our business grows, we are delighted to welcome two more colleagues to the team. Ben Firth (right top) joins us as a sales engineer and brings a wealth of experience and knowledge, I am sure he will be a positive addition to our team.

"In addition, as we grow the business, we understand that our unrivalled service and support offering is key to providing that all important customer service.

"I am pleased to confirm that Lee Frangleton (right bottom) has also joined us as a technical support engineer. After training, Lee will be out on the road to support our customers, bringing our support engineers to a total of eight, regionally located across the UK."



# A DAY IN THE LIFE...

Matthew Terry

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 **MATTHEW TERRY**, MANAGING DIRECTOR AT CENTRE TANK SERVICES (CTS), TO DISCOVER HOW MATTHEW SPENDS A TYPICAL DAY.



## MY ALARM GOES OFF AT...

1am...3am...5am – usually to the sound of one of my four children!

## THE FIRST THING I DO IS...

Look in on all the children, at this time they are all hopefully still asleep. Then I check a few early morning emails and keep a check on exchange rates as the CTS Group is heavily involved in imports.

## I PREPARE FOR THE DAY AHEAD BY...

Focusing on getting everything ready in the house for the children before I head to the office...to hopefully take the pressure off my wife Gemma before the mad school rush. If any of the kids are up really early, then I will attempt to get them ready.

## I CAN'T LEAVE THE HOUSE WITHOUT...

A bottle of Actimel, and a daily bottle of Lucozade...The latter I will not be mentioning at my next group medical!

## MY TYPICAL DAY

I arrive at the Sutton Coldfield CTS offices, have a walk around, and talk with various colleagues. I have a group role; this will mean interacting with both Derby and Newark offices where our group companies Castle Pumps and Whisper Pumps are located.

I visit these regularly so if it falls on one of those days I tend to work from those offices. I have a range of daily tasks which cover the whole of the CTS Group of companies.

## MY MOST MEMORABLE WORK MOMENT...

I think from a personal point of view my most memorable moment was being promoted to managing director of CTS in 2012 and when I threaded my first tank sight gauge while working in the warehouse back in our old premises in 1998.



Other memorable work moments include seeing colleagues who I have worked alongside for many years hitting big work milestones of 20 years and up. The list could go on and on though!

## THE WORST PART OF MY JOB...

Is letting customers down, I would like to say this never happens, but we all know that there are occasions this cannot be helped. There are so many factors that can sometimes go against you such as delayed shipments or stock availability. Shipment issues happened during the initial stages of Brexit and more recently with worldwide material availability.

It may be that some of these are out of our control, but we have to take responsibility of these situations as a customer has made a buying decision to trust us with their order requirements.

## THE BEST PART OF MY JOB...

In one word PEOPLE. I really enjoy interacting with my colleagues throughout the CTS Group, also interactions with customers and suppliers.

Having a happy customer from an experience provided by a colleague is great to see, it is a win-win situation.

## I RELAX AFTER WORK BY...

Relaxing after work is not something I am used to at present. Having three girls and a boy means most nights I am either 'Dad's Dance Run Taxi Service' or collecting from football or tennis training. I suppose the only relaxing time is the journey to collect them in the car. Having a young daughter at home makes relaxing more difficult. I would not change it for the world though.

## MY FAVOURITE MEAL IS...

Lunch at present is my favourite meal, it is the least rushed meal of the day. My wife prepares me a mixed salad of some type which I have at work. I can switch off for half an hour.

My current favourite evening meal is Shepherd's Pie... (It is really fish pie, but that cannot be cooked in our household as my wife cannot stand the smell of fish!)

## ON MY BEDSIDE TABLE IS...

Nothing exciting here! My mobile phone, occasionally a random dummy of my daughter's, the TV remote and, normally, a glass of orange squash.

## THE LAST THING I DO EACH DAY IS...

Once all the children are in bed asleep, my wife and I will try and get half an hour together, catch up on a film or series and that is pretty much it before we look in on the kids and go to bed ourselves.

## I'M NORMALLY IN BED BY...

Anytime between 22:00-23:00 is normal.

# MABASERVICE

95% of customers rate our customer service  
as very good or excellent\*

As one of the UK's leading fuel importers and wholesalers we strive to deliver the highest standards of customer service. All calls are answered promptly and enquiries dealt with in an efficient, friendly manner. Our experienced marketers are always on-hand to offer advice and help customers make better buying decisions. **That's Mabanaft.**

*Personal, well informed  
and friendly service*

Big enough to depend on, small enough to care  
[www.mabanaft.co.uk](http://www.mabanaft.co.uk)



AS FUEL DEPOTS CONTINUE TO EVOLVE, LIZ BOARDMAN REVIEWS THE PRODUCTS, SERVICES AND LATEST INNOVATIONS THAT EVERYONE IS TALKING ABOUT, AND FINDS OUT HOW THEY ARE SUPPORTING THIS TRANSITIONING INDUSTRY.



# Products and services for developing depots

## Emission control

With a keen eye on net zero, mobile degassing specialist, ENDEGS is helping depots and tank terminals to actively reduce and treat emissions.

The company's solution solves the illegal, and potentially hazardous, venting of hydrocarbon emissions into the atmosphere. It was developed as a response to the 2010 Industrial Emission Directive in a bid to help oil and gas companies become legally compliant.

"The service we deliver is compliant with environmental legislation, increases safety, lowers risk in operation and does not impact on neighbouring residents with noise, odour or visible flame," comments managing director, David Wendel.

ENDEGS' degassing solution also offers additional advantages as David illustrates: "Imagine that the vapour recovery system at a tank terminal malfunctions and the owner is tasked with finding a replacement solution or has to stop loading activity altogether, it could prove financially disastrous. In this situation, using the ENDEGS solution could deliver financial benefits."

In the ever-changing world of liquid fuels, ENDEGS is flexible and keen to move with the times as David points out: "We're driven to evolve with our clients and create and deliver innovation. We take any client requests seriously." Good news for distributors looking to move into biofuels.

Proving this point, ENDEGS has been named one of the 100 most innovative companies in Germany for two years in a row. Although its solution was originally aimed at oil and gas products, it has since upgraded its technology and has carried out projects with new fuels such as hydrogen and biofuels, which bodes well for the sector moving forward.

In addition to its emission reduction services, the company also rents out ATEX zone 0 robots for no-man entry tank cleaning, carries out nitrogen services with its own fleet of mobile atmospheric vaporisers and hires out specialist equipment such as mobile detonators, flame arrestors, pipings, power generators and pressure reducers.

## On a roll

Depots are always going to need concrete for hard engineering applications such as bund linings, containment, erosion control, scour protection and weed suppression, but Concrete Canvas goes one step further.

Part of a revolutionary new class of construction materials called Geosynthetic Cementitious Composite Mats (GCCMs) designed to replace conventional concrete in erosion control applications, Concrete Canvas is a flexible, concrete-filled, geotextile that hardens on hydration to form a thin, durable and waterproof concrete layer.

Originally developed in 2004 as part of a university project for the rapid deployment of concrete humanitarian shelters, the company moved into the civil sector in 2009 and now works widely in the petrochemical industry.

"The material has a BBA durability of 120 years for erosion control solutions," says Blake Williamson, the company's technical sales representative South East (UK). "It's faster and easier to install than standard concreting methods and offers a lower carbon solution. Essentially, it's concrete on a roll."

Concrete Canvas and its sister product, CC Hydro (CCH) can be installed with minimal, or no, plant requirement and there's no risk of back-spray, debris or rebound, thus protecting sensitive infrastructure at depots. The materials are quicker to install than traditional alternatives, reducing time on site and asset downtime – elements that are vital for depots.

CCH is a revolutionary containment product which combines the company's concrete-filled, geotextile technology with a highly impermeable, chemically-resistant geomembrane backing. The geomembrane provides a high-performance liner with a testable joint for quality assured containment applications, essential for fuel depots. The liner incorporates a hi-visibility welding strip allowing joints to be thermally bonded with a twin-track or triple-track air channel for on-site testing.

It also provides effective weed suppression, eliminating the ongoing maintenance cost of soil-covered systems.

"Incredibly durable, it has a hard armour surface, protecting the geomembrane liner from puncture, abrasion, weathering, burrowing animals and UV degradation," adds Blake.

The product is proving a big hit in the energy sector, as Blake explains: "Although we only began commercial volume production of CCH in 2015, we now supply seven out of the top 10 oil and gas operators worldwide."

## Valve solutions

Fuel depots require a considerable number of valves and finding a trusted

supplier is a major consideration.

AC Valve Alliance Group is a specialist distributor of valves, which have been manufactured in exotic materials for chemical compatibility. The company holds an enormous range of stock from major valve and automation manufacturers, such as Perar and Starline, Pekos, Air Torque, Galli & Cassina, Nacional Safety Valves, Zwick and Sammi – brands that are all used extensively in oil and fuel storage applications due to their superior design, material and construction suitability.

The majority of the company's products are manufactured in Western Europe and have approval from some of the world's biggest oil companies, such as Total, Shell and Aramco. Developed with a range of resilient materials for seat and seals, to cover all types of fuels and chemicals, they are ideal for use in fuel depots. The Pekos tank bottom valve range in particular, has been specifically designed for allowing an actuated quarter-turn ball valve to be fitted at the bottom of storage vessels.

The company has extensive depot experience, as technical manager, Nick Papworth explains: "We have supplied products for use in depots throughout our 25 years in business and have always received positive feedback. Our team of experts have a huge wealth of knowledge, meaning that we consider the application first and foremost and will always try to understand the customer's requirements. This results in a great match of product and application."

AC Valve Alliance Group also offers engineering solutions so that it can modify valves in-house and provide specific configurations and construction materials to suit special applications and media. And, when it comes to new fuels, the company has recently developed valves for high pressure and/or low temperature hydrogen, helium and carbon dioxide, demonstrating that it can move with the times and embrace the move towards new fuels.

British valve manufacturer (and one of the brands stocked by AC Valve Alliance Group), Nacional Safety Valves UK is also looking ahead to the fuels of the future. Safety relief valve sales manager, Owen Stephens, comments: "With the use of hydrogen being part of the strategy of almost every major oil company, there's a need to ensure safety relief valves are able of handling the potentially arduous operating and storage conditions; up to -253°C and 900 barg operating pressure."

### Continual innovation

As the fuel industry moves forward and depots develop, it's reassuring to see how many manufacturers are rising to the challenge, responding to customer needs, and continuing to innovate.

We'd love to know how your depot has evolved and which products or services have made the biggest difference? Email [liz@fueloilnews.co.uk](mailto:liz@fueloilnews.co.uk)



## Isle of Arran fuel depot to close due to ageing storage tanks

Last month Certas Energy announced the closure of its Brodick depot on the Isle of Arran, with fuel to be transported directly from the mainland instead, but has reassured customers that there will be no interruption to supply.

The company confirmed that Arran's only fuel depot, which was taken over by Certas Energy in 2007, was closing, explaining that the cost of the investment required to replace the ageing fuel tanks would result in an unacceptable increase in the price of the fuel passing through the tanks.

With one of the three storage tanks reaching the end of its usable life and decommissioned in July last year, the company had already begun distributing petrol transported by ferry, and North Ayrshire Council has received reassurances that Certas customers can be confident in the continuity of their fuel supply – particularly as winter approaches.

### Robust plans

A spokesperson for North Ayrshire Council commented: "We have been informed by Certas that it is to close its storage depot on Arran, due to the fuel tanks reaching the end of their working lives."

"Certas has assured us it has robust plans in place to keep customers informed about the operational changes taking place in the coming weeks and well-developed arrangements for managing the transition of supply to daily deliveries from the mainland."

Emma Wordsworth, operations director at Certas Energy, confirmed: "Storage tanks have a certain operational life. Unfortunately, our tanks at Brodick have reached the end of their effective lifespan. We have considered many options but switching to distribution of fuel by ferry is by far the best way to ensure continuity of supply and competitive prices for our customers."

"Therefore, we will operate like our competitors do now on the island. We have been keeping North Ayrshire Council fully advised about the future of the site and our plans for a smooth transition."

"We will contact customers in the coming weeks to answer any questions they might have and reassure them this way of operating is in line with our competition and will meet their needs. Certas Energy has worked on the Isle of Arran for many years, and we immensely value our many loyal customers."

# The climate emergency: a game of two halves

CLIMATE CHANGE IS OFTEN VIEWED IN THE SENSE OF SOMETHING THAT IS RELEVANT FOR THE FUTURE – BUT, WHILE MANY IMPACTS ARE PREDICTED FOR THE YEARS TO COME, CLIMATE CHANGE IS AFFECTING BUSINESSES TODAY, AND WITH INCREASING RISK. COMPANIES NEED TO ACT NOW TO PROTECT THE ENVIRONMENT AND THEIR OPERATIONS AS WE ALL TRANSITION TO LIVING AND WORKING IN A DIFFERENT CLIMATE AND A DIFFERENT ECONOMY.

**Judy Proctor is deputy director of radioactive substances and industry regulation for the Environment Agency. Judy's teams support the delivery of protecting the environment through industrial regulation as part of the competent authority for Control of Major Accidents and Hazards (COMAH) and for the Environmental Permitting Regulations (EPR) in England.**

**Within this article, Judy discusses the implications of climate change and net-zero in the context of these regulatory frameworks including a consideration of climate change impacts on the Refinery and Fuels sector.**

The risks associated with the effect of climate change on businesses are relevant whether businesses are regulated under EPR or COMAH, or both. The Environment Agency's work in advising, supporting and regulating companies is set within the context of our five-year strategy, 'EA2025'. This plan embeds sustainable development goals in all we do: namely, enhancing the quality of air, land, and water, to create a better place, within the government's green growth and sustainable development agendas.

There is a fine balance between enhancing nature at the same time as supporting industrial activities that are vital to our economy, and our current strategy emphasises that there is 'one big thing' – the climate emergency – which impacts on everything we all do in this sense. This is why, throughout the strategy, our ambition is clear: we are helping create a net zero nation that is resilient to climate change.

All businesses need to adapt to a changing climate. And all businesses need to understand how mitigating climate change – transitioning to net zero emissions – will affect them, including the risk of accidents. It's a game of two halves.

## **It's not all about the new technologies**

With industry and partners, the Environment Agency is thinking about the potential risks of net zero and the net zero transition. We chair the COMAH Strategic Forum net zero group – with

the Tank Storage Association and others being an integral part. Some organisations may be feeding information into this group through trade associations, and we value the input from those who are already getting involved. Some businesses may be thinking that net zero is all about new technologies that aren't relevant to their operations, but while the net zero enabling technologies are part of the challenge, they aren't the whole story: managing existing and older assets through the transition is also part of the green industrial revolution, and it is important that these operations aren't left behind.

## “CLIMATE CHANGE WILL EXACERBATE ENVIRONMENTAL RISKS FOR REGULATED INDUSTRIES”

While existing good practice may be applicable for some of these challenges, there will be a need for new guidance, and new or updated good and best practice as well. Industry has an important role to play in helping to develop these, too. We are currently working on guidance relating to hydrogen-based technologies with other UK environmental regulators. Whether this guidance is for permitting or good practice relating to major accident prevention, industry involvement is vital. We will all get to where we need to be much quicker through industry-wide collaboration.

## **Business as usual is not an option**

But it's not just about net zero or climate change mitigation that we should act upon. Adapting to a changing climate is the other side of the climate emergency. We are working hard on this topic, too. Last year the Environment Agency published its third adaptation report, 'Living Better with a Changing Climate', which outlines our adaptation approach under eight themes – and I would like to draw your attention

to two of them. The first one is thinking differently – “business as usual” is not an option. Climate impacts are inevitable, and our thinking must change faster than the climate. And second, we are helping businesses prepare – with flexible and climate-proof regulation and advice.

Climate change will exacerbate environmental risks for regulated industries. We are helping industries to manage these risks by providing advice and, where we have powers to do so, adjusting our regulatory permits to account for climate change. We will also support the development of more flexible regulatory approaches to accommodate rapid environmental change.

## **Climate change is influencing how we regulate today**

In August we updated our EPR guidance on developing a management system to consider a changing climate. We also ended the screening process to produce a climate change risk assessment, for all new waste and installations permit applications. Now, new applications as well as all existing permit holders will need to include an assessment of risks and proposed mitigations resulting from climate change via their management systems. We will take a hazard- and risk-based approach to planning our regulatory activities, which will be co-ordinated across both EPR and COMAH regimes.

We have also published some sector examples, with specific vulnerabilities, on our website to help firms plan. For the Refinery and Fuels sector, we have outlined 34 separate impacts, ranging from flood risk, which is indeed a major and increasing threat – to the effects of rising temperatures. Businesses are likely to understand more clearly how higher daily maximum temperatures can affect them after the record-breaking heatwaves we experienced this summer. Some examples seen in July include: a fire at a Lower Tier COMAH site involving a significant number of mobile containers; a refrigerant drum exploding; and various examples of overheating equipment leading to business interruption or interruption

of monitoring or control equipment.

But it isn't all bad news – some operators are embracing the challenge and adapting already. One site that last year saw the perishing and bursting of plastic compressed air hoses after long periods of exposure to direct sunlight, has now replaced all its plastic compressed air lines with either metal piping or plastic hosing with a high ultraviolet resistance rating.

Impacts don't all relate to extreme weather requiring an emergency response, although many do. And businesses can often be affected by off-site effects, such as power supply or supply chain disruption.

### Helping businesses prepare for climate change

There are many ways in which we are working with industry to help businesses to prepare for climate change. We are working with the Chemicals and Downstream Oil Industry Forum to identify best practice on climate change adaptation, which can help both industry and regulators across EPR and COMAH. Just like net zero, industry has an important role to play in identifying and developing good and best practice on climate change adaptation.

### The challenge of uncertainty

The group has surveyed operators about climate impacts, and they have told us that extreme weather and other impacts threaten both business continuity and operational safety. They also tell us that threats are managed or mitigated by a range of approaches, commonly site risk assessments, specific studies and plans, and emergency plans. They also say that managing uncertainty of future threats is the biggest challenge.

Recently published standards, like the ISO 14090 series, set out best practice for managing that uncertainty. These enable suitable and sufficient risk assessment and adaptation planning to ensure risks remain as low as reasonably practicable (ALARP). These processes will become increasingly important as we progress towards ever more frequent and extreme climate impacts.

Whatever challenges are faced by your operations, embracing them sooner will more likely enable your business to prosper in the future. To quote the Environment Agency's former chair, Emma Howard Boyd: "our thinking needs to change faster than the climate".

Things are moving at pace and at scale – but by working with industry and regulators,

we will succeed in creating a net zero nation, resilient to climate change.

**Judy Proctor** works for the Environment Agency; an organisation that works to protect and improve the environment to make it a better place for people and wildlife in England. This includes reducing the impacts of flooding, promoting sustainable development and delivering environmental regulation.

She is the Deputy Director for Radioactive Substances & Industry Regulation. She has over twenty year's operational and national experience in delivering environmental improvements. Many of these outcomes are delivered in partnership with partners, businesses, customers and government.

Judy is a parent trustee for Callywith College in Cornwall and champions the environment locally in her role for the Local Nature Partnership on the Integrated Territorial Investment Board for Cornwall and the Isles of Scilly.



RIGID / TRAILER MANUFACTURE • PARTS, SERVICE & RENTAL

LAKELAND  
TANKERS



Manufacturer of the Fuel Oil News  
Tanker of the Year 2020



Road Tankers Northern and Lakeland Tankers  
the UK's leading road tanker manufacturers of  
aluminium semi-trailers, fuel/lubricant and LPG tankers

Road Tankers Northern, South Yorkshire  
01226 350 650 [www.rtnltd.co.uk](http://www.rtnltd.co.uk)

Lakeland Tankers Ltd, West Midlands  
01384 421 199 [www.lakelandtankers.co.uk](http://www.lakelandtankers.co.uk)

## Irish Alliance achieves significant breakthrough in the use of biofuels in the decarbonisation of home heating

**The Alliance for Zero Carbon Heating (TAZCH), which unites Fuels for Ireland, UK & Ireland Fuel Distributors Association (UKIFDA) and the Oil Firing Technical Association (OFTEC, ) has achieved breakthrough recognition for the use of biofuels in the decarbonisation of home heating.**

As a body which aims to reduce carbon emissions, while ensuring that Irish households can continue to meet their heating needs, the Alliance has received a significant boost recently with the Minister for the Environment acknowledging that biofuels do have a future role to play.

In September, Minister for the Environment Eamon Ryan had originally suggested that a ban on oil and gas boilers could be implemented in newly built homes as early as next year, and as early as 2025 for existing homes.

At the time, Alliance spokesperson Kevin McPartlan said: "This simply isn't feasible for most households."

### A balanced debate

The Alliance has activated key political

stakeholders across a broad spectrum of parties including Fine Gael, Fianna Fáil, Sinn Féin and others as part of its efforts at ensuring a balanced debate in relation to the matter.

"It's clear that advanced fuels, synthetic fuels and biofuels, which can be used in modern boilers, should be incentivised by the Government, and that involves bringing about a lower tax rate on these types of fuels," said David Blevings, an Alliance spokesperson.

The Alliance is delighted to see that Minister Ryan has since refined his previous comments and has now explicitly recognised that biofuels like HVO (hydrotreated vegetable oil) have a role to play in decarbonising the heating sector, telling the Dáil in response to a Parliamentary Question that HVO is "among a number of renewable fuels used in the transport sector, but also has uses in other sectors, for example home heating."

### First priority

The Alliance acknowledges the scale of the challenge but will continue to push the matter forward: "Those in the home heating sector who have played a central role in meeting Ireland's



Members of the Alliance lobbying in Dublin earlier this year. L-r Kevin McPartlan FFI, David Blevings OFTEC and Nicholas Hayes UKIFDA

home heating needs believe that major steps have to be taken – and taken now – to combat climate change and preserve our environment for generations to come.

"This has to be our first priority, and we are committed to doing everything in our power to achieve carbon neutrality.

"It will be a massive challenge for both individual households and our sector, but there are solutions on the horizon, and it is time to embrace them fully. Our Alliance is determined to make carbon neutrality a reality by giving consumers the alternatives they need to dramatically reduce emissions from home heating."

## NI oil stocks recover after temporary shortage

An update on the report in our last magazine of issues with fuel supply in September in Northern Ireland.

### A short term issue

Fuel distributors confirmed at the time that product was extremely hard to source with the unexpectedly high demand from consumers looking to take advantage of the price drop causing a short-term supply deficit.

Speaking at the end of September David Bleving of trade association NIOF confirmed: "The good news is that the shortage has turned out to be a short-term issue and product has been arriving in Belfast and Derry in recent weeks to replenish stocks."

Distributors also confirmed that the situation was improving, with one commenting that, having been unable to source any kerosene at all earlier in September, they were able to source from some suppliers in the latter part of the month.

"The oil industry asked the former Department of Enterprise back in 2016 to look at an emergency storage facility in NI to prevent this sort of issue but to date this has never been brought to the table for discussion," David shared. "Following this most recent event, we have asked the Department for Economy to review the Compulsory Stock Obligation (CSO) and its application to NI as given the high number of oil users here (over 60%) there is clearly a requirement for an emergency stock of kerosene to be held locally."

## Fleet managers to benefit from ROI launch

In a move that will benefit fleet managers, Silvey Fleet, one of the UK's most established resellers of fuel cards and fleet management solutions, has expanded into the Irish market.

Businesses in Ireland will now be able to take advantage of Silvey Fleet's services to save money, reduce time spent on administration and manage compliance.

The Silvey Fleet fuel card will give fleet managers in Ireland access to competitively priced fuel at more than 400 sites throughout the Republic of Ireland. In addition, the online portal gives customers control of their account, including being able to order new cards or cancel existing ones. Customers can also access invoices at any time, even when away from the office, and are supported by Silvey Fleet's 24/7 phone support service.

### A reputation built on service

A Gold accreditation from Investors in People demonstrates the level of importance Silvey Fleet places on delivering a very high-quality customer service. Managing director Miriam James said: "It is incredibly exciting that Silvey Fleet is expanding into Ireland to offer our market-leading fleet management solutions to a new audience. We look forward to welcoming new customers to the Silvey Fleet family."

Full details can be found at: <https://fueloilnews.co.uk/2022/09/fleet-managers-to-benefit-from-republic-of-ireland-launch/>



# ESOS Phase 3: everything you need to know



THE GOVERNMENT'S ENERGY SAVINGS OPPORTUNITY SCHEME (ESOS) AIMS TO BOOST THE ENERGY EFFICIENCY OF UK BUSINESSES. IT'S A MANDATORY PROGRAMME THAT APPLIES TO LARGER UK COMPANIES WITH A SPECIFIED TURNOVER AND HEADCOUNT. AS PART OF ESOS, QUALIFYING BUSINESSES MUST TRACK AND REPORT ENERGY USAGE ACROSS THEIR BUILDINGS, PROCESSES, AND TRANSPORT. THEY'RE ALSO ENCOURAGED TO FIND COST-EFFECTIVE WAYS TO CUT CONSUMPTION. THE SCHEME RUNS IN FOUR-YEARLY PHASES. WE'RE CURRENTLY IN PHASE 3, AND THE COUNTDOWN TO COMPLIANCE HAS BEGUN. **DAN ELLIS**, HEAD OF SUSTAINABILITY, ADLER AND ALLAN, DISCUSSES HOW TO READY YOUR OPERATIONS FOR THE 5 DECEMBER 2023 ESOS PHASE 3 DEADLINE – AND WHY IT'S WISE NOT TO WAIT.

## Does my business qualify for ESOS phase 3?

You need to carry out an ESOS assessment if you have:

- More than 250 employees in the UK; or
- A turnover exceeding £44.1m AND a balance sheet exceeding £37.9m

Whole corporate groups also qualify if at least one UK group company meets these measures.

If you took part in the two previous ESOS phases, it's likely you'll need to participate in phase 3.

## My company qualifies for ESOS. What do I need to do?

ESOS assessment is a six-stage journey – from measuring energy use to Environment Agency reporting and recordkeeping.

Working with a trusted partner can streamline the process, helping you navigate audit requirements and ensure your submission fully complies with ESOS guidance.

### 1. Calculate your business's total energy consumption

You're required to measure all energy use across your premises, industrial processes, and fleet.

Under ESOS, energy is defined as combustible fuels, heat, renewable energy, electricity, and transport fuel.

Your assessment should cover a representative sample of your operations and sites, and results should be presented in a common unit, such as pounds sterling or kilowatt-hours.

### 2. Identify and audit areas of significant energy consumption

Pinpoint which assets and activities account for at least 95% of your overall energy usage. Up to 5% of your energy consumption can be classed as 'de minimis' and omitted from your calculations.

Once you've identified your highest consumption areas, you need to audit them

against minimum government requirements.

Any energy audits conducted between December 2019 and December 2023 count towards ESOS compliance.

### 3. Create an ESOS compliance plan

Use your audit results to map out energy-saving opportunities. Your plans should outline practical ways to minimise waste and improve energy efficiency – and detail their estimated cost benefits.

An experienced sustainability consultant can produce a comprehensive ESOS compliance plan, including innovative and achievable solutions – from installing EV charge points to embracing renewable energy and alternative fuels.

### 4. Appoint a lead assessor to review your report

A lead assessor oversees your energy audits and signs off your final ESOS assessment.

They can be a professionally registered employee but working with an external specialist can guarantee compliance and place decades of industry experience on your side.

#### 5. Notify the Environment Agency

When your ESOS assessment is complete, you need to submit your notification of compliance to the Environment Agency.

#### 6. Keep accurate compliance records

You're expected to maintain records of how you've complied with ESOS in an evidence pack – and you're free to choose the format.



## Are there penalties for not complying with ESOS?

Yes, and they're getting steeper. Failure to notify the Environment Agency, for example, can lead to an initial penalty of up to £5,000 and a daily fine of up to £500 for each working day of non-compliance. Making a false or misleading statement could lead to fees of up to £50,000.

## When should my business begin its ESOS assessment?

As soon as possible. The deadline for ESOS submissions is 5 December 2023, but it pays to get ahead of the curve.

In previous phases, organisations that delayed their audit faced a shortage of lead assessors and a race to secure the right expertise.

Early action means early benefits, including measurable cost savings, energy efficiencies and the confidence of total compliance.

## What has changed in phase 3?

The 'de minimis' threshold for ESOS Phase 3 has reduced from 10% to 5%. This means you now need to ensure that 95% of your total energy consumption is covered by an appropriate ESOS energy audit.

The Environment Agency has indicated that businesses will not be allowed to simply replicate the same historical ESOS energy audits for ESOS Phase 3. It expects to see different and progressive energy audits rather than 'tick-box' compliance activity.

## Getting ahead

Proposed changes to Phase 4 of ESOS will require you to link energy and carbon and have a decarbonisation plan alongside your energy audit. We offer this as standard, so get ahead of the curve with ESOS Phase 3 and ensure your business is on the road to decarbonisation.

# Energy security and emission reduction: the role of the downstream sector



**ELIZABETH DE JONG**, UKPIA CEO, ADDRESSES THE CHALLENGE OUR INDUSTRY FACES TO BALANCE THE PERENNIAL NEED FOR ENERGY SECURITY WITH THE URGENT NEED TO REDUCE EMISSIONS, IN THIS, THE FIRST OF A NEW QUARTERLY SERIES FROM THE DOWNSTREAM TRADE ASSOCIATION.

“Today we face some of the biggest issues for a generation, and possibly for many generations. We are living through the biggest energy crunch seen in many years, caused by the need to wear ourselves away from fuels that support the Russian war in Ukraine alongside the shift from fossil-based systems of energy production and consumption to renewable energy sources such as low carbon fuels.

“While it may appear that fuel security and net zero are two requirements that pull in different directions, if we can attain the investment needed to reduce our emissions then it is likely that the UK can successfully navigate both of those challenges.

“It is clear that our sector has a critical role to play because the fuel it supplies is vital to both the UK’s economic activity and energy security. It distributes around 96% of the UK’s transport fuel via a mix of domestic production at our refineries (around 55% of the total) and imports (45%) via an open market. We’ve also seen that the sector can respond to the unforeseen, such as to reduce Russian imports to zero in just a few months.

“If we look at the net zero side of the equation, the UK offers advantages in terms of the transition which could make it a world leader. We have good geology for Carbon Capture Utilisation and Storage (CCUS), are close to the European market with a strong import and export infrastructure. And we have a huge amount of transferable expertise from both upstream and downstream oil sectors to support key technologies such as hydrogen, carbon capture and low carbon fuels.

“We at UKPIA strongly believe the downstream sector has those advantages and will be critical to delivering the UK’s net zero future, but it is worth reflecting on how we have got to where we are today, so we can see where we are heading.

## Energy security

“Under the coalition Government some

ten years ago, the aim was to have secure, affordable and sustainable energy. Today we see the focus is more on fuel security and net zero because as the then Prime Minister Boris Johnson said in August 2022 ‘we’re paying in our energy bills for the evils of Vladimir Putin.’

“We can define energy security as the ability to continue to source the fuels the country needs despite shocks to the system, and the sector proved it has all the skills and assets needed to do that through its successful response to the Russian situation. The UK’s combination of domestic production through six major refineries and import capacity from 60 terminals has helped the market to function well. We import from a lot of different locations and the markets have been able to reorganise themselves quickly away from Russian diesel.

“ONE OF THE GOVERNMENT’S TOP PRIORITIES IS TO ENSURE THAT THE UK HAS A SECURE AND RELIABLE ENERGY SUPPLY. THE CURRENT ‘CORE FUEL’ SUPPLY MARKET IS FLEXIBLE AND FOR THE MOST PART EFFECTIVE IN ENSURING CONTINUITY OF FUEL SUPPLY.... FOCUSED ON ENCOURAGING INDUSTRY TO BUILD RESILIENCE RATHER THAN RESPOND TO AN EMERGENCY”

## Energy Security Bill Factsheet

“We may not have a Regulator to manage spare capacity in our system but the market’s inherent drive to supply the customer does that effectively, and we have fallbacks such as the Compulsory Stocks we hold as members of the International Energy Agency. Since the summer of last year, the UK has been part of two global releases of that oil to steady the markets following a unique set of circumstances, with the

return of demand post Covid-19 restrictions and the Russian situation in the spring of this year.”

## Energy resilience

“Another closely linked aspect is ‘energy resilience’ – the ability to get the fuels you have sourced or produced to the end consumer in response to disruptions such as the Just Stop Oil protests or last autumn’s demand spike. In both cases the sector was able to show remarkable resilience by utilising the UK’s extensive infrastructure including major assets such as 3,000 miles of pipeline and over 8,000 forecourts across the country. This infrastructure means we are generally able to get the fuels to the consumer efficiently whatever the circumstances.

“It is this infrastructure, which stretches right across the country, along with the endeavour, acumen, innovation and sometimes dogged determination of the sector that has seen it thrive across many challenges over many years. And those assets – whether tangible or not – will help us move forward.”

## Reducing emissions

“By virtue of its existing scale, location and expertise, our sector can enable huge emission reductions of industrial clusters with downstream companies acting as both first ‘anchor customers’ and potential project leaders.

“But for companies to invest in low carbon production in the UK, investment conditions need to be attractive and competitive relative to those in other countries. Low carbon production in the UK also needs to be more attractive than importing higher carbon products.

“This could be achieved through a carbon pricing mechanism at the border, through clear UK product standards, or by providing a similar level of financial assistance to decarbonise as those offered in other countries.

“In addition, we strongly believe a ‘technology neutral’ approach rather one

which focuses on any specific technology such as electric vehicles should be adopted to achieve the greatest carbon savings. Studies have concluded that vehicles powered by the internal combustion engine will be around for a long time, despite announced phase out dates. Vehicles powered by internal combustion engines can offer a decarbonisation solution if a technology neutral approach is taken. For example, hydrogen powered internal combustion engines will offer a similar reduction in CO2 emissions as Hydrogen Fuel Cells and aftertreatment could be used to bring Nitrogen Oxide emissions within acceptable levels.

“And we strongly believe the Renewable Transport Fuels Obligation (RTFO) should move from its current approach where the obligation is met by the volume of renewable fuels added to fossil fuels, to a greenhouse gas (GHG) emissions approach where the obligation is met by reducing CO2 emissions by a set amount. This would incentivise the best-performing low-carbon fuels.

“The sector is already delivering large amounts of low carbon fuels through E5 and E10 petrol and B7 diesel. These have removed the equivalent 2.5 million cars off the road in terms of GHG emissions, which is significantly



more than the 1 million electric and hybrids currently on the road. Adjusting the RTFO to a GHG based approach would further increase these carbon savings.

“There may be a case for lowering the rate on biofuels which are currently taxed at the same level as crude-derived fuels. And additional incentives for low carbon fuel use in hard to decarbonise transport, for example Heavy Goods Vehicles, should be considered to increase demand for low carbon fuels.”

#### Policy critical to success

“In light of some of the biggest challenges our industry, democracy and society can face, we want to help find solutions. We are in a decent place, but the next three years are critical for policymaking if we are to keep investment in

the UK.

“UKPIA members are already a major part of projects that will potentially deliver over 10GW of hydrogen to the UK by 2030. Our sector is at the forefront of the delivery of CCUS and Sustainable Aviation Fuel and is investing now in future manufacturing capability in the UK.

“For companies to continue to invest in low carbon production in the UK, the investment conditions need to be attractive and competitive relative to those in other countries where businesses could invest their money. Ensuring a strong domestic sector by offering strong incentives to continue to invest in the UK is the best way to deliver fuel security and net zero and will ensure an effective and competitive market that meets needs at a competitive price.”

**Elizabeth de Jong is the CEO for UKPIA – the trade association that brings together companies involved in refining, renewable fuel production, terminal operations and filling stations. Its members contribute significantly to the UK’s extensive and resilient fuel supply chain today as well as preparing for the future by planning and investing in projects that reduce emissions for tomorrow’s net-zero economy.**

# Watchman Radar Fuel Management Solution



**Logistical Costs Savings**  
Plan & Group  
Flexible Delivery



**Reduce Left on Boards**  
by Increasing  
Driver Efficiency



**Improved Optimised Filling**  
for Cost-Savings



**Easy & Quick Install!**

Scan here to Find Out More



# Road Tankers Northern: leading the industry from its 'one stop shop'

ROAD TANKERS NORTHERN (RTN) IS ONE OF THE UK'S LARGEST SUPPLIERS OF PETROLEUM AND LPG (LIQUID PETROLEUM GAS) ROAD TANKERS. WITH A HIGHLY SKILLED WORKFORCE, BARNSELY-BASED RTN, A SPECIALIST IN ALUMINIUM, PRODUCES AROUND 320 ROAD TANKERS PER YEAR USING MODERN MANUFACTURING TECHNIQUES AND SOME OF THE MOST ADVANCED AUTOMATED ROAD TANKER WELDING EQUIPMENT IN THE UK.

CLAUDIA WEEKS, CONTENT WRITER FOR FUEL OIL NEWS, SPEAKS WITH **ADRIAN MASON**, SALES MANAGER AT ROAD TANKERS NORTHERN, ABOUT THE BUSINESS AND ITS PLANS FOR THE FUTURE.

## The history of Road Tankers Northern

Road Tankers Northern (RTN) was established in Sheffield in 1991 by managing director, Frank Newell. Frank recognised an opening for the manufacture of road tankers to compliment his already successful haulage and fuel business, as Adrian explains: "Frank Newell and Paul Wright (Newell & Wright Transport) had a growing fleet of container trucks and had fuel deliveries into the yard. Frank always sees an opportunity so he asked Charles Roberts Tankers in Wakefield for a new rigid tanker build so he could collect his own fuel. Once seeing what was involved, he asked Brian Edwards (a Charles Roberts salesman) to help start up a new business manufacturing tankers and the rest is history."

RTN was building over 80 new road tankers a year by 1993 having quickly established itself as a respected name within the industry. The business was further enhanced by the expansion of the sales and design teams which brought a wealth of experience and ensured further growth.

## A new central depot – a 'one stop shop'

By 1995, RTN had outgrown its premises in Sheffield and moved to Hoyland, near Barnsley. The company now currently occupies 44602sq feet which is spread over 2 sites.

Adrian explains: "The site has changed in a big way since 1995, RTN has now taken over much of the Platts Common Industrial Estate which currently homes RTN offices, aluminium barrel manufacturing for both rigid and trailers and Mild Steel LPG barrels. There is also Tank Testing UK there which is our own in-house tank testing and the SLP facility along with our own paint shops and parts department. It's a 'one stop shop' as Frank always says!"

## Significant advances through in-house research and development

Road Tankers Northern is keen to lead the industry in tanker design and production, even having its own research and development team which Adrian elaborates on: "The department is staffed by 4 designers who employ the latest CAD and Finite stress analysis techniques in support of our manufacturing and repair services.

"In addition, we maintain strong academic, technical, and commercial links with Sheffield Hallam University's Engineering Department and The Welding Institute. This provides us with additional research capacity, enhanced computer modelling and access to innovation.

"Recent project work has led to significant improvements in tank shell integrity and aerodynamics, enabling us to improve our products by reducing fuel consumption and increasing the resilience of the tank in a rollover situation. The retention of our technical design



service ensures we can react quickly to any unusual requests from our customers.

"We maintain individual and Whole Vehicle Type Approval for our output, meeting all requisite standards such as EN 13094, ADR and British Engineering Services Design approval."

## Core objectives

Alongside caring for its employees, customers, and community, other core objectives of Road Tankers Northern are to minimise its impact on the environment and to maximise safety within the industry.

"Raw engineering and manufacturing are a key part of the business, and we have our own health and safety department to oversee both sites.

"We have always been very proud of our British-built business, and we now manufacture a lot of our own tanker parts on site which, in turn, minimises deliveries to site.

"Due to the estate being surrounded by





“We also have an updated website that has just been launched at [www.rtnltd.co.uk](http://www.rtnltd.co.uk)”

### The future for liquid fuel tankers

With the transition to future fuels, Adrian shares his thoughts on likely changes in demand for diesel, kerosene, and gas oil and whether this will impact the need for liquid fuel tankers:

“I do not think any of us really know how long liquid fuels will be moved in rigid road tankers and semi-trailers, but our order book has increased year on year so it’s not slowing up anytime soon.

“We are very fortunate that we do have subdivisions that deal with waste and GP trailers and again that business is growing so we could always diversify.

“HVO and some of the other fuels have required slight changes to some of our builds but at the moment it is only changes to gaskets rather than the overall builds.”

### Challenges or opportunities?

Adrian considers the challenges the business has faced in a rapidly evolving industry:

“Raw material prices over the last couple of years have been the biggest challenge. We have a dedicated purchasing team that are continually sourcing aluminium and steel for our builds but rising costs, especially with aluminium, forced us to increase the cost of tanker builds to the end user which is something we never want to do.

“Parts availability for the chassis manufacturers has also made planning production very challenging at times but,



hopefully, this now seems to be improving and we can get back to some sort of normality.”

However, despite the challenges, Adrian is also positive about the outlook: “We are now being approached by electric truck manufacturers looking at making rigid road tankers and although we have been in early discussions, I can see something very interesting coming in the near future.”

Indeed, when asked what the vision for the future is, Adrian shares: “Continual growth and investment in equipment and staff are a must in this industry. RTN as a company is already looking into alternative fuels, including synthetics, so the future is incredibly bright for us.”

### The importance of team

The investment in staff is very apparent when Adrian talks about the growth of the team: “In the early days of RTN in 1991, there was Frank as managing director, Brian Edwards in sales, and a couple of engineers on the shop floor, so a modest start. We now employ over 250 staff across the three sites, so the team has grown hugely.”

Keen to discover more about the team involved with Road Tankers Northern, Claudia asks Adrian to spill the beans...

- You could make a television series about some of the characters that work at RTN. The hardest worker will always be Frank, now in his 70s – absolutely nobody does more hours within the team.
- Who makes the best brew? I would have to say, me! As I make all of Frank’s coffees when he is in the office (3/4 cup of black coffee with 1/4 top of cold water).
- Who makes me laugh? Brian Perry in parts is a funny guy and a big personality and, being a Barnsley fan, he really does need a good sense of humour...
- The best ideas in the RTN team must come from Frank and Don McKelvie (operations director). They are the driving force behind changes we make to the business and, after 31 years, I would say the ideas are still working!

When asked what he enjoys most about operating in tanker manufacturing, Adrian answers simply: “Our customers. Covid stopped a lot of the face-to-face sales across the globe but now we can get back out to see the very people who make this industry so interesting.”

With his infectious enthusiasm for the industry, Fuel Oil News is looking forward to the next conversation with Adrian and Road Tankers Northern and wishes them continued success in the meantime.



houses, we also keep heavy manufacturing to daytime working hours to limit noise in the evenings. All scrap is also recycled to again minimise the impact on the environment.”

### Valuable input from customers and drivers

“I joined RTN from DAF trucks in 2013 so I spent a lot of time speaking with owners and drivers about chassis requirements and I have transferred that to my role at RTN,” Adrian explains and shares some of the best advice he’s received in the business: “The industry and the job evolve yearly, and what worked yesterday might not work going forward. Listening to the customer and getting input from the drivers ensures that the build works for everyone.”

New customers are essential to businesses and Adrian is confident in the reasons for customers choosing RTN as their supplier: “After winning numerous Tanker of The Year awards and working with all the major distributors in the UK and Ireland for over 30 years, I would like to think that the industry would know about us by now, but we do exhibit at the industry shows and we also advertise in the industry publications.



# PORTLAND MARKET REPORT



## 150 ENERGY TALKING POINTS – OIL AND EVERYTHING ELSE

Hello and welcome to our 150th Oil Market Report. Yes, you read that correctly – over a period spanning 12 years, we’ve actually managed to churn out 150 versions of this rubbish! Back when we wrote our first report, the Portland team was young, original and the proud owners of cheap, shiny suits from Marks & Spencer. We still have the suits.

Our first report was in May 2010 and began with the immortal lines “Oil prices began to take a real hammering at the start of May”! We then went on to describe how a combination of EU economic woe and Iceland’s unpronounceable *Eyjafjallajökull* volcano eruption was suppressing demand (the latter because of the grounding of aviation fleets). Reading the report back today, it feels a fairly dry and technical description of market events, but there were still exciting subject cameos for underlying energy themes such as bullish demand from the Far East, pressures on refining and price volatility. Subjects that would all reappear many times in forthcoming future articles.

**“WE STILL HAVE THE SUITS”**

50 reports later (June 2014) and we were discussing the impact of currency on oil prices and how it was always an overlooked factor behind rising fuel costs in the UK. This is a subject that we have revisited on many occasions and is highly relevant today, as the £ crashes to hitherto uncharted, rock-bottom levels. With the current wholesale (Rotterdam) price of diesel around the \$1,200 mark and with the exchange rate around 1.09 (\$ – £), this gives a diesel price (pre-duty and VAT) of 93.06 pence per litre (ppl). Only 6 weeks ago, the exchange rate was riding at the relatively buoyant level of 1.20, which at the same wholesale level (\$1,200) would have given a price 84.53ppl – a full 8.50ppl less. For a modest bus company buying 20,000 litres per week, this means they are incurring extra costs



**Chinese tariffs on LNG covered in the August 2018 update – a ‘humdinger’ of a report**

of £7,000 per week, simply because the £ has gone into (self-inflicted) meltdown.

Report 100 (August 2018) covered the improbably boring subject of Chinese tariffs being placed on imported US Liquefied Natural Gas (LNG). This really was a humdinger of a report (not) but did deal once again with the theme of rampant Chinese fuel demand and with good reason. Back in 2010, when we started our market reports, Chinese oil demand was around 9m barrels per day (bpd), whereas by 2018, that figure was sitting at 12m bpd – a cool increase in demand of 33% in 8 years!

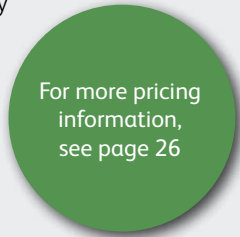
The August 2018 report also touched on a development that has become hugely significant today, and that was the transportation of Liquefied Natural Gas (LNG) by ship. Back in 2018, gas transportation by sea was in its infancy, but was correctly seen by many as the answer to European over-reliance on Russian gas supplied by pipeline. Indeed, the report quoted President Trump as saying (rather portentously) that “Germany is totally controlled by Russia”. As it transpired, the development of US seaborne LNG continued to grow despite the Chinese tariffs and actually stimulated an LNG capacity race involving America, the Middle East and Australia. Thank goodness for that race by the way – without it, Europe would, categorically, not have adequate

gas supplies to survive this winter.

Over the last 150 issues, we have covered everything from the wonders of the Port of Rotterdam, to the difficulties of recruiting young people into the industry. We’ve dissected and analysed the transportation of oil by pipeline, railcar and barge, plus we have predicted how much fuel would be needed for a holiday on the moon (this one really was complete nonsense). All in all, we have specifically covered crude oil exploration on 5 separate occasions, refining in 6 specific reports, along with sporting events such as the Olympics and World Cups (also 6 occasions). Finally, the Middle Eastern oil industry (Saudi, Iran et al) has been covered more than any other topic, with 7 specific market reports.

**“THE MOST FASCINATING BUSINESS SECTOR IN THE WORLD”**

After so many years of writing, one would think that the subject matter would now be exhausted. But, of course, that is not how the most fascinating business sector in the world – the energy sector – works. Having reached the milestone of 150 reports, it’s fair to say that there are now more fascinating (and at the moment, plain scary) energy talking points than at any point over the last 12 years. In fact, with all that is currently going on, we could probably file an oil or energy related piece every week. Don’t worry though, for everyone’s sanity, we’ll stick with the monthly version! At least for the next 150 reports...



All Portland’s Market Reports can be viewed here: <https://stabilityfromvolatility.co.uk/market-reports/>

# Cyber Risks: improving your cyber resilience

IN OUR OCTOBER ISSUE WE TOOK A CLOSER LOOK AT SOME OF THE SOFTWARE INNOVATIONS THAT ARE SUPPORTING THE SECTOR. WITH GREATER DEPENDENCY ON SOFTWARE COMES AN INCREASED RISK OF CYBER-ATTACKS AND **KARL JONES** OF DOWNSTREAM FUEL INDUSTRY INSURANCE SPECIALIST OAMPS, CONSIDERS THE ISSUES THAT ARISE FROM THIS INCREASED THREAT AND THE ACTIONS THAT CAN BE TAKEN TO REDUCE THEM.



Following Russia's invasion of Ukraine, the National Cyber Security Centre (NCSC) used its weekly threat report to call on UK organisations to bolster their online defences.

While the NCSC is unaware of any current threats to UK organisations, it is important that steps are taken to improve cyber resilience in the event of an attack.

Historically, cyber-attacks on Ukraine have had wider international consequences, and the NCSC's guidance sets out some actions which will help reduce the risk of falling victim to an attack.

The actions to take when the cyber threat is heightened is available to read on the NCSC website

<https://www.ncsc.gov.uk/report/weekly-threat-report-25th-february-2022>

## State of the Phish

Cyber security company Proofpoint released its annual "State of the Phish" report in February 2022, revealing the impact of phishing attacks in 2021.

According to its findings, 91% of UK companies surveyed experienced at least one successful email-based phishing attack last year – with 84% reporting email-based ransomware attacks. Almost 60% of those infected with ransomware paid a ransom.

Ransomware is the biggest cyber threat facing UK organisations, both large and small, and phishing is a common vector for cyber criminals to infect networks.

We know that phishing emails are getting harder to spot, but there is guidance available on what to look out for, and how to improve your organisation's resilience. Raising staff awareness of the threat is also vital.

We'd also encourage all organisations to familiarise themselves with the NCSC advice on mitigating malware and ransomware attacks.

So, with the post COVID world still adjusting to hybrid working, a surge in online crime and the potential spill over from Russia's cyber-attacks on Ukraine, there's never been a

more important time for SMEs to have the right cybersecurity strategy in place

## So what can UK SME's do to protect themselves?

For many small to medium-sized businesses, it's just not feasible to spend a significant proportion of profit on a cyber protection strategy that could withstand attempted breaches from hacker collectives or a rogue nation state.



However, you can:

- Educate your employees about cybersecurity; creating an environment where they take responsibility for safeguarding the company data and the integrity of the system. This includes only using secure systems for communicating with colleagues wherever possible, and not sharing information via personal email, as well as the obvious avoidance of clicking on links you're not 100% certain about.
- Minimise the threats posed by malicious employees – from restricting access to sensitive data, banning the use of removable memory hardware and limiting bring your own device (BYOD) use.
- Keep your security software and operating systems up to date

## What about cyber insurance?

According to the UK Government's 2021 Cyber Security Breaches Survey, less than half – around 43% – of UK businesses currently buy cyber insurance<sup>1</sup>. This is despite 27% of the

businesses surveyed stating they suffered an attack at least once a week, with the average cost of a system breach being £8,460.

Here's a sample of some of the reasons businesses don't believe they need cyber insurance:

- We've never been hacked before
- We're compliant with GDPR, PCI DSS and other regulations, so we're secure
- We've invested in IT security, so we don't need cyber Insurance
- We outsource IT, so we won't be exposed to an attack
- We don't collect or store any sensitive data, so cyber Insurance isn't necessary
- We're too small to have a cyber attack
- We're already covered under other insurance policies

However, for many businesses, the reality is that they were targeted; their systems weren't robust enough to prevent a breach, and there was no insurance cover in place to help cover the costs.

Cyber insurance is a valuable tool to consider in your cyber strategy; many policies can be tailored to provide cover for the areas that most businesses are concerned about – social engineering, phishing, and ransomware. Some of the policies can also provide access to specialist support in the event of a system breach, help identify why and how the breach occurred, as well as offer advice on preventing further breaches.

Insurers also actually pay claims – also according to the same ABI report, 99% of claims made on their members policies were settled in 2018<sup>2</sup>.

Given that your IT system is probably vital in keeping your business trading, can you really afford not to have access to specialist advice and a financial safety net should that life-support get interrupted?

Notes:

1 <https://www.ncsc.gov.uk/report/weekly-threat-report-4th-march-2022>

2 <https://www.gov.uk/government/statistics/cyber-security-breaches-survey-2021/cyber-security-breaches-survey-2021>

The sole purpose of this article is to provide guidance on the issues covered. This article is not intended to give legal advice, and, accordingly, it should not be relied upon. It should not be regarded as a comprehensive statement of the law and/or market practice in this area. We make no claims as to the completeness or accuracy of the information contained herein or in the links which were live at the date of publication. You should not act upon (or should refrain from acting upon) information in this publication without first seeking specific legal and/or specialist advice. Pen Underwriting Limited and OAMPS, part of Pen Underwriting Limited, accepts no liability for any inaccuracy, omission or mistake in this publication, nor will we be responsible for any loss which may be suffered as a result of any person relying on the information contained herein.

OAMPS is part of Pen Underwriting Limited which is authorised and regulated by the Financial Conduct Authority (FCA number 314493). Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 5172311.

# The UK's refineries: past, present and future

## Past: Then there were eighteen

In considering the future of the UK oil refinery network, we will first make a brief digression to see how it has evolved.

Three of the six refineries in the current network (Fawley, Grangemouth and Stanlow) can trace their origins back to the 1920s with the other three facilities (Pembroke, Lindsey and Humber) being commissioned in the post-WW2 era, through the 1950s and 60s – the major growth phase of the downstream sector.

As a result, by the start of the 1970s, the network comprised 18 plants but, since the last of the existing network was commissioned by Conoco (now Phillips 66) on Humberside, in 1969, this network has seen 12 closures, with a total nameplate capacity of 60 million tonnes with half of the closures occurring during the 1980s.

By way of indulgence in a bit of nostalgia, the following table summarises those which are no longer with us.

Timeline	Original owner/operator	Location
1970s	Shell	Heysham
1980s	BP Burmah Esso	Belfast Stanlow Milford Haven
	BP BP Shell	Isle of Grain Llandarcy Teesport
1990s	Gulf Shell	Milford Haven Shellhaven
2000s	Phillips Imperial Petroleum (1)	Teesside
	Mobil (2) Amoco (3)	Coryton Milford Haven

Note (1) Phillips Petroleum/ICI JV, subsequently owned by Petroplus.

(2) Subsequently owned by BP, then Petroplus.

(3) Subsequently owned by Elf, then Total, then Murco (who originally acquired a 30% share from Amoco in the late 1970s).

As a result of the above closures, the two formerly largest 'players' in the sector, BP and Shell, have, since 2011, ceased to have any UK refining presence.

We will now take a brief look at the existing network and highlight the roles which they play in supplying refined petroleum products to the inland market.

## Present: Now there are six – the current refinery network

Last year, UK refineries supplied about 85% of the country's inland market requirements.

One of the key features of the network, which has a total throughput capacity of circa 56 million tonnes per year, is that it is misconfigured vis-à-vis inland market requirements; net exports of petrol represent around 40% of refinery production, while net imports of diesel represent around 50% of inland requirements and, in the case of Jet A-1, about two thirds of requirements.

Four of the six facilities have undergone rationalisation/ optimisation programmes over the past ten years, in the form of reductions in nameplate capacities. Taking the constituents of the network individually, in descending order by capacity:



### Fawley:

Capacity was reduced in 2012, by about 20%, through closure of one of the distillation units to just over 13 million tonnes per year and it is estimated to supply around 15% of the country's refined products requirements.

The lion's share (circa 85%) of its output is moved to four inland distribution terminals through a 450-mile owned pipeline network to:

- Staines.
- Purfleet.
- Avonmouth.
- Bromsgrove.

Road tanker deliveries from the refinery into the local market are made from a loading facility at Hythe.

The balance is transported by coaster.

It therefore comprises a substantial, and critical, source of supply to the major markets of the south, south east, Bristol/Avonmouth and the Midlands as well as to Heathrow and Gatwick airports.



### Humber:

Nameplate capacity is just under 11 million tonnes per year through two distillation units,

with around 70% of the refinery's production being placed in the UK inland market:

- by coaster to Scotland (e.g. Aberdeen & Inverness), Tyneside and East Anglia.
- by the Exolum pipeline (formerly GPSS) to Bramhall terminal in south Manchester.
- by rail to Warwick Oil Storage Ltd. at Kingsbury.
- by RTW from nearby Immingham terminal, servicing local markets in Humberside, Yorkshire, the North East and Lincolnshire.

The refinery is Europe's sole supply source (and one of the world's largest) of premium grade petroleum coke, a key material not only in steel and aluminium manufacture but also for lithium-ion batteries.

Co-processing used cooking oil to produce renewable diesel was started in 2017, at 50,000mt/year, subsequently expanded to 150,000 mt/year, with further expansion to 250,000mt/year in 2024. Earlier this year an agreement was reached with BA to supply SAF from the refinery in to the Exolum (CLH) pipeline.



### Pembroke:

Nameplate crude oil distillation capacity is about 10.5 million tonnes per year, with the refinery boasting one of the largest FCC units in Europe (circa 4 million tonnes per year). Refined products are distributed to three main channels:

- (1) The UK inland market
- (2) Ireland, where it is the single largest supply source
- (3) East coast USA (petrol)

Deliveries to the domestic market are made by:

- Pipeline, where products are shipped by the Mainline Pipeline, owned 100% by Valero since 2012, along a 300-mile system to the company's terminals at Kingsbury and Trafford Park, Manchester.
- Coaster, where products are shipped to Valero's three sea-fed terminals in Avonmouth, Cardiff and Plymouth.

The refinery also supplies Jet A-1 at a number of airports including Heathrow, Gatwick and Stansted.



### Stanlow:

Capacity was reduced in 2014 from just over 14 million tonnes per year to 9 million tonnes





by closure of one of the crude distillation units as an optimisation measure. A subsequent, major turnaround exercise, in 2018, increased throughput capacity to over 10.2 million tonnes per year.

It is estimated that the refinery supplies approximately 17% of the country's road transport fuels, by three main modes:

- Pipeline, where products are supplied in to the UKOP system for shipment to Kingsbury terminal and also further south, via a twin line built by Shell in the early 1980s, to enable movements via Buncefield, principally to Heathrow and Gatwick airports. Jet A-1 is supplied directly to Manchester airport through the Manchester Jet Pipeline.
- Road, by road tankers from Stanlow Terminals, servicing the north west.
- Coaster, where products are lifted by tankers via the Manchester Ship Canal.

The refinery is also a supplier to the petrochemical industry, providing feedstocks such as toluene, propylene and ethylbenzene.



**Grangemouth:**

Rationalisation measures, initiated in late 2020, comprised the closure of a distillation unit, reducing overall capacity from around 10.2 million tonnes per year to 7.3 million tonnes, and the shut-down of a 1 million tonnes per year FCC unit.

The refinery provides around 70% of Scotland's refined oil requirements and products are moved out by five principal routes:

- Road, supplying the lion's share of the requirements of filling stations across Scotland as well as the Jet A-1 needs of the three main airports, Edinburgh, Glasgow and Aberdeen.
- Rail, to the Petroineos distribution terminal at Dalston, near Carlisle.
- Pump-over, into the adjacent Exolum public storage facility.
- Pipeline, to the Finnart Ocean terminal on the west coast for lifting by tanker.
- Coaster, for lifting by tanker.

Closely integrated with the refinery, which is a key feedstock source, is the adjacent petrochemical complex, which produces polyethylene, polypropylene and other industrial solvents and chemicals.

REFINERY	DECARBONISATION PLANS
Fawley	Feasibility study for hydrogen with CCS, undertaken by project partners, established that H2 production possible by 2030 – initially capturing about 2 million tonnes of CO2 per year.
Humber	Participation in CCS via Humber Zero (East Coast Cluster); Gigastack project, with 100MW electrolyser to produce green hydrogen; co-processing of waste oil to produce renewable fuel
Stanlow	Vertex Hydrogen JV, to produce 1GW of hydrogen per year from 2 units from 2026; CCS in Liverpool Bay through Hynet decarbonisation Cluster; first refinery in UK to run boiler off 100% H2 by 2026.
Grangemouth	Tender for the design of a world-scale carbon capture enabled hydrogen production plant and major associated infrastructure as part of plans to reduce site CO2 emissions by 60% by 2030; trial with SGN to determine feasibility of supplying green H2 through existing gas network.
Lindsey	CCS via participation in V Net Zero Humber Cluster; preparing for pre-front end engineering and design phase for CCS ; exploring green H2 options.

**Lindsey:**

Capacity was halved in 2015, to 5.4 million tonnes per year, with the closure of one of the two crude oil distillation units and, in 2020, Total sold the refinery, along with associated distribution assets, to the Prax Group.



The main channels of product distribution to the UK market are as follows:

- Road, from the refinery road loading facility to RTW's servicing markets in the north, north east, Humberside/Lincolnshire and East Anglia.
- Rail, to co-owned (with Phillips 66) Warwickshire Oil Storage terminal at Kingsbury and to the Prax terminal at Jarrow.
- Pipeline, for the carriage of Jet A-1 along the 145-mile Finaline to Buncefield and onward movement to Heathrow airport.
- Coaster, from APT, Immingham (jointly owned with Phillips66) to east coast UK locations.

**Decarbonisation projects**

Having highlighted the capacities of the constituent refineries and the distribution channels through which products are supplied to the market, we will now get a flavour of some of the decarbonisation initiatives being pursued. These are summarised in the table at the top of the page:

From the table, it is clear that the refining sector is actively embracing the 'decarbonisation agenda', in particular CCS and the potential of hydrogen. No doubt there will be further initiatives which will be pursued as the energy transition evolves?

**The future**

For the past 50+ years the UK refinery network has provided an uninterrupted, secure and reliable supply of petroleum products which

have played a critical role in 'keeping the economy's wheels turning'. This role will continue for the foreseeable future, albeit diminishing in terms of quantities supplied as the energy transition gathers pace.

The events of 2022 have underscored the need for energy security, with an indigenous refinery network being a key component thereof. In the course of time, three changes to the network are possible:

- Conversion of an existing petroleum refinery / refineries into bio-refineries- to produce a range of sustainable low carbon biofuels
- More extensive adoption of co-processing to produce biofuels
- Closure, either permanent or conversion to a product import terminal

Time will tell the extent to which these developments take root and, indeed, more broadly, what kind and size or shape of network will evolve as refined oil product demand declines.

The UK refinery network has shown its adaptability to changing requirements over the past 50 plus years; this resilience will provide a strong foundation to meet the coming challenges of both the ongoing need for security of product supply and the energy transition.

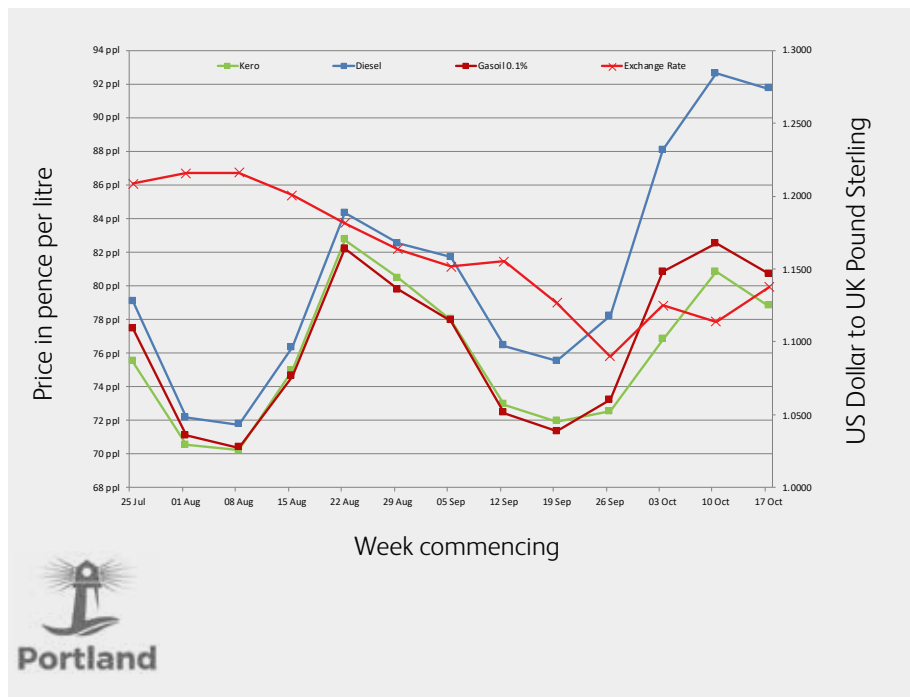
**ROD PROWSE**, worked for 30 years across the full spectrum of the downstream oil sector, in both the UK and USA, which has included leadership positions in both retail and wholesale fuels businesses. Rod draws on his extensive knowledge of this global industry to bring us 'Industry Insights'.



## Wholesale Price Movements: 19th September 2022 – 18th October 2022

	Kerosene	Diesel	Gasoil 0.1%
Average price	76.15	84.86	77.69
Average daily change	2.52	2.42	2.31
Current duty	0.00	52.95	10.18
Total	76.15	137.81	87.87

All prices in pence per litre



**Highest price**  
**85.24 ppl**  
Fri 07 Oct 22

**Biggest up day**  
**+5.93 ppl**  
Wed 05 Oct 22

**Kerosene**

**Lowest price**  
**69.14 ppl**  
Fri 30 Sep 22

**Biggest down day**  
**-5.91 ppl**  
Tue 11 Oct 22

**Highest price**  
**96.61 ppl**  
Fri 07 Oct 22

**Biggest up day**  
**+7.60 ppl**  
Wed 05 Oct 22

**Diesel**

**Lowest price**  
**74.80 ppl**  
Wed 21 Sep 22

**Biggest down day**  
**-6.94 ppl**  
Tue 11 Oct 22

**Highest price**  
**88.43 ppl**  
Fri 07 Oct 22

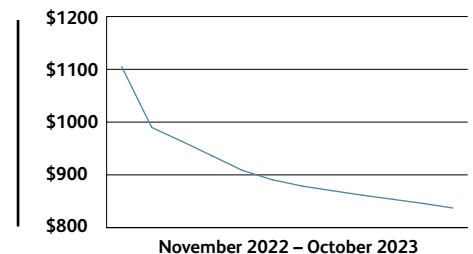
**Biggest up day**  
**+6.36 ppl**  
Wed 05 Oct 22

**Gasoil 0.1%**

**Lowest price**  
**70.57 ppl**  
Wed 21 Sep 22

**Biggest down day**  
**-7.03 ppl**  
Tue 11 Oct 22

Gasoil forward price  
in US\$ per tonne



## The Fuel Oil News Price Totem

	Trade average buying prices			Average selling prices		
	Kerosene	Gasoil	ULSD	Kerosene	Gasoil	ULSD
Scotland	80.44	96.12	147.31	91.70	102.70	153.08
North East	79.39	94.75	146.39	95.18	100.93	150.64
North West	80.96	97.35	148.78	91.75	103.04	152.56
Midlands	79.46	95.28	146.85	90.12	101.35	151.46
South East	79.56	95.24	146.83	101.54	105.82	150.83
South West	79.91	95.08	146.67	94.05	101.14	150.33
Northern Ireland	80.02	96.45	n/a	90.46	103.83	n/a
Republic of Ireland	93.78	101.88	148.25	102.51	107.91	152.95
Portland	77.77	92.80	143.54			

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](http://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 **STEVE LITTLE**, WHO WAS APPOINTED TO THE ROLE OF MANAGING DIRECTOR FOR CERTAS ENERGY UK IN JULY THIS YEAR.



## “GET THE RIGHT ORGANISATIONAL STRUCTURE AND FILL IT WITH GREAT PEOPLE.”

**STEVE LITTLE**

### **Please give your career history in 25 words or fewer.**

Qualified as an accountant with Arthur Andersen, then worked for GE and Houghton International. Joined Certas in 2017 and moved into MD role this year.

### **Describe yourself in 3 words.**

Enthusiastic. Energetic. Driven.

### **What were your childhood / early ambitions?**

To be a fighter pilot. (I watched Top Gun so it seemed like a good idea at the time!)

### **Describe your dream job (if you weren't doing this?)**

Postman (albeit I am scared of big, barky dogs) or building dry stone walls.

### **What's the best business advice you've ever received?**

Get the right organisational structure in place to deliver on the company aspirations and fill that structure with great people.

### **Share your top tips for business success.**

Set a clear expectation as to what success in the organisation could look like that taps into people's inquisitive nature... they will do the rest.

### **What's your most recent business achievement of note?**

Moving into our new HQ in



Warrington. Great to see the positive energy it has created within the team.

### **Tell us your greatest fear.**

Failure and any negative impact on the team (and big barky dogs as per above.)

### **Which is most important – ambition or talent?**

Talent.

### **What's the best thing about your job?**

Seeing good people do well and progress, and the broad spectrum and challenges inherent in the role.

### **Which is the quality that you most admire?**

Integrity.

### **What are you most likely to say?**

'It's six and two threes'... It's the Cumbrian equivalent of 'six of one and half a dozen of the other.'

### **What are you least likely to say?**

Don't worry about committed deadlines and agreed deliverables. They are just a guide!

### **Describe your perfect day**

Wake up (always a good thing), coffee, run or cycle,

breakfast followed by various sports events with my three kids, a late afternoon walk with the dog to the pub for a few drinks with mates followed by a BBQ or takeaway with my wife Ellen, kids (Rosie, Daniel, and Molly) and friends or family.

### **Do you have a favourite sports team?**

Carlisle United... there are no words!

### **What's the biggest challenge of our time?**

Climate change and net zero.

### **Cheese or chocolate?**

Cheese.

### **Share your greatest personal achievement**

Being happily married for nearly 20 years (I can't talk for my wife!)

### **What's your pet hate or biggest irritant?**

Arrogance (it's just misplaced confidence but it irritates me nonetheless)

### **If you were on 'Mastermind' what would your specialist subject be?**

Being a farmer's son from Cumbria I know a fair bit, and more than I should do, about different breeds of cows.

### **If you were elected to government what would be the first law you'd press for?**

I would implement higher taxes

on those in the top income brackets to really support levelling up (I don't buy into trickledown economics) and invest properly in our education and health systems.

### **If your 20-year-old self saw you now what would they think?**

Bald... very very bald and whilst I thought a fighter pilot might be stretching it... an accountant. Why??

### **What is number 1 on your bucket list?**

Land's End to John O' Groats bike ride.

### **What 3 things would you take to a desert island?**

My pet dog Buddy  
A ball of some description  
Fishing rod.

### **Tell us something about you that people would be very surprised by**

I left my morning suit trousers in Manchester on my wedding day (unfortunately the wedding was in Liverpool!) and nearly got married in my boxer shorts. Yet my wife still married me...

### **Who would you most like to ask these questions of?**

Alastair Campbell (my political man crush)

# Products & Services Directory

**EVERYTHING YOU NEED TO PROTECT YOUR BUSINESS**

**OAMPS**  
HAZARDOUS INDUSTRIES

Your insurance partners in the fuel & oil industry

**01372 869762 | www.oamps.co.uk**

OAMPS is a trading name of Pen Underwriting Limited, which is authorised and regulated by the Financial Conduct Authority (FCA number 314493). Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 5172311



**ea**projects  
Measurement & Metering Control

**Complete liquid management**

- Automated tanker loading
- Web based tank gauging
- Stock control systems
- Bottom loading skirts and conversions
- Engineering design services
- Site maintenance

T: +44 (0)1629 815674  
F: +44 (0)1629 813426  
sales@ea-projects.com

www.ea-projects.com



**exocet**  
FUELLING SOLUTIONS

**UNIQUE FUEL ADDITIVES GIVING GUARANTEED RESULTS**

Automotive Marine Off Road & Static Domestic Industrial

Tel: 01743 761415  
www.fastexocet.co.uk



**cobo**  
Tankers & Services



**MARKET LEADERS IN PETROLEUM ROAD TANKERS**

Cobo Tankers and Services Ltd  
C26 Josephs Well  
Hannover Lane  
Leeds  
LS3 1AB

Main Office : 0113 3886400  
Fernando Gomis : 07840 048 835  
fgomis@cobotankersandservices.co.uk  
Terry Morgan : 07712 871 786  
tmorgan@cobotankersandservices.co.uk  
Joby Clark: 07592 519 349  
jclark@cobotankersandservices.co.uk

Whole Business Insurance Package for **Fuel Oil Distributors**

insured by **oilshield**

- One Policy
- One Insurer
- One Payment
- One Renewal Date

Book your appointment now!  
**020 3907 1361**

oilshield EverGreen AVIVA

**ELIMINOX** UKIFDA INNOVATION AWARD WINNERS 2022

Working Towards a Cleaner World

- EN590 / EN16709 / EN228 Compliant
- UK's No. 1 Biodegradable Fuel Conditioner

Powering Progress for Future Liquid Fuels  
WWW.ELIMINOX.CO.UK +44 (0)1743 709930


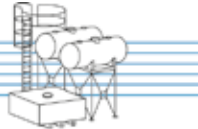


**ALLIED Storage Tanks Limited**

- Shop fabricated storage tanks cylindrical or rectangular up to 200,000 litre capacity
- Site built storage tanks up to 5,000,000 litres capacity
- Refurbishment and demolition of existing site storage tanks
- Basement generator fuel tanks
- Self banded tanks cylindrical and rectangular
- Offloading and installation of shop built storage tanks
- Bitumen bases, pipelines, insulation & cladding, access steelwork and ancillary equipment

Phoenix Works, Richards Street  
Darlaston, West Midlands, WS10 8BZ

Tel: +44(0) 121 568 8166  
Fax: +44(0) 121 568 8177  
email: sales@alliedstoragetanks.co.uk

**Refuels**

Working with fuel distributors, fuel hauliers, retail forecourts, insurers, the roadside recovery industry and many more UK industries nationwide, Refuels provides efficient and effective solutions to recover a range of redundant or unwanted fuels.

0333 3239555 office@refuels.co.uk



Fuel Oil News is sold solely on condition that:

- (1) No part of the publication is reproduced in any form or by any means electronic, mechanical, photocopying or otherwise, without a prior written agreement with the publisher.
  - (2) The magazine will not be circulated outside the company / organisation at the address to which it is delivered, without a prior written agreement with Ashley & Dumville Publishing.
- The publishers gratefully acknowledge the support of those firms whose advertisements appear throughout this publication. As a reciprocal gesture we have pleasure in drawing the attention of our readers to their announcements. It is necessary however for it to be made clear that, whilst every care has been taken in compiling this publication and the statements it contains, the publishers cannot accept responsibility for any inaccuracies, or the products or services advertised.
- Fuel Oil News is printed on sustainable forest paper. © Ashley & Dumville Publishing. Printed by Stephens & George Print Group Tel: 01685 388888

Published by

**AD**  
PUBLISHING