

# Fuel Oil News

AUGUST 2024

## DEVELOPING A TALENT PIPELINE

VOICES FROM THE INDUSTRY

PRODUCT INNOVATION

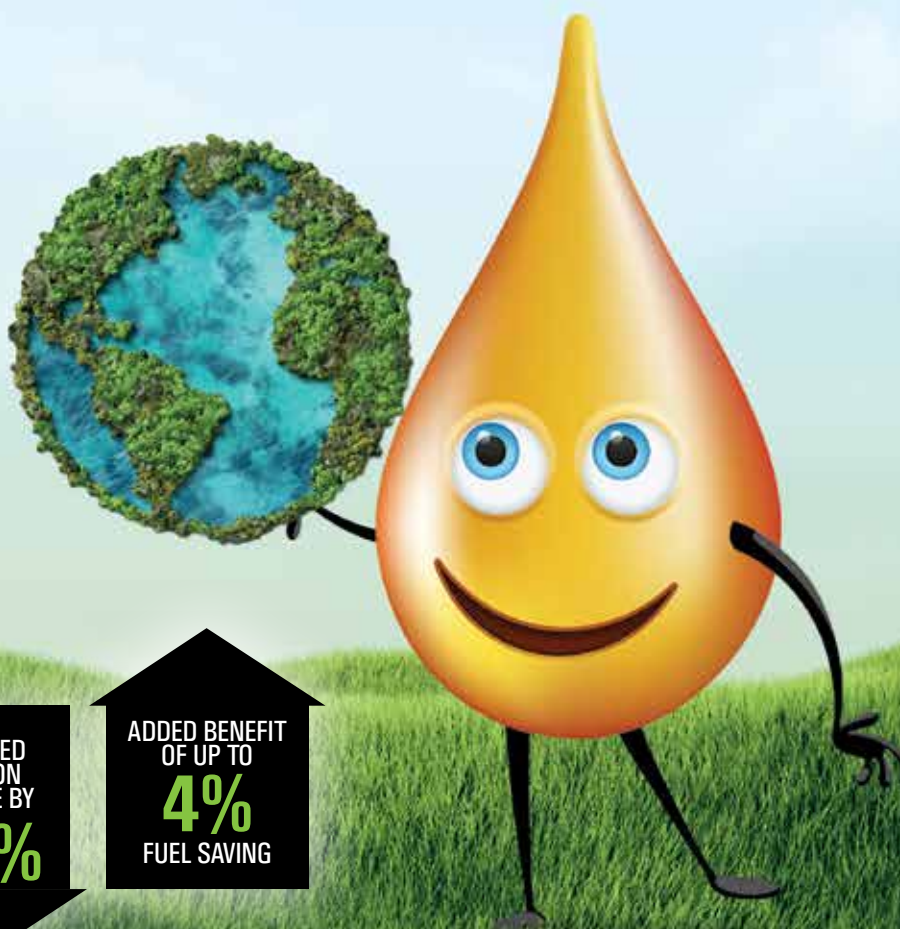


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## Move power to those who know their areas best

A week is a very long time in politics, as Ken Cronin reminded us back in our June issue, adding that ‘a few months must seem like a decade’. Well, even one month can seem that way.

Following the publication of our last issue, a new UK government was duly elected, with the election delivering a landslide win for Labour.

Even as I pen this column, the honeymoon fortnight has already passed, with the delivery of the King’s speech signifying that it is time to put the party poppers and champagne away, as the hard work of delivery begins. And hard work it is going to take, if the size of the programme outlined in the speech is any indication.

The longest in many years, the speech contained some 40 pieces of legislation or draft legislation, which have been subsequently condensed into a more accessible government statement of: “Ten things to know”.

Fundamentally a list of key aspirations, each is presented under a suitably media-friendly slogan, and each will take a considerable amount of time, and a significant amount of effort, to deliver.

One of the government’s stated aspirations is “To hand back power to communities”. Promising new legislation that “hands power back to local leaders”, the government promises a bill to “move power out of Westminster and back to those who know their areas best”.

That promise, coupled with the commitment that has received the most coverage since Labour was elected – “To make Britain a clean energy superpower by 2030”, can only be a boost to this industry – an industry made up of hard-working and, in the majority of cases, family-run businesses, that are committed to serving their local communities. It is an industry that knows its customers better than any, has a tried and tested, affordable, and immediately deliverable, solution to the specific challenges around the decarbonisation of its customers off-grid homes, and it is an industry that is poised to deliver.

Read more on page 13 of this issue.



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# Fuel Oil News

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

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## On the cover

This stunning image, of a tanker at Old Head of Kinsale, was taken by Andrew O’Neill, a tanker driver for Corrib Oil, Cork. Corrib Oil is a dynamic leader in the heating oil and service station retail business across Ireland.



## In this issue

An important industry-backed communication is shared on pages 13-15, with election responses on pages 7 & 8 and government energy policies unpacked on pages 28 & 29. A long-standing industry company features on pages 18 & 19.

## TSA publishes ninth Annual Review

The Tank Storage Association (TSA) has published its ninth Annual Review of the UK's bulk storage and energy infrastructure sector. The publication provides a broad range of statistics and valuable insights on terminals, process safety, occupational health and safety as well as the industry's contribution to the UK economy.

### Global expansions

This year's Annual Review includes a new dedicated section on global tank storage assets, and introduces data on global expansions and construction projects, regional capacity and market share, as well as regional throughput data in collaboration with Insights Global.

It also introduces new data on the products handled by terminals and tank farms, including low emissions fuels such as biofuels, methanol, ammonia and sustainable aviation fuels (SAF).

Peter Davidson, Chief Executive of the Tank Storage Association, said: "I am pleased to launch the 2024 edition of TSA's Annual Review. The bulk storage and energy infrastructure sector makes a significant contribution to complex supply chains, ensuring that products for the energy, manufacturing, food and agriculture, and transport sectors are supplied when they are needed and in the quantities required.

Against this backdrop, this year's report has been enhanced to provide further



information on global tank storage assets, highlighting current trends in the global tank storage industry. It also aims to shine a light on the crucial role our sector plays in our everyday lives."

### Industry challenges addressed at this year's TSA President's Lunch

The association also held its annual President's Luncheon at the end of June. The event was hosted by TSA President, Wilma Kelly and Vice-President, Arunan Sriskanda, to discuss the bulk storage and energy infrastructure sector in the UK and the new initiatives they are setting out for the months and years to come.

Nunzia Florio, Communications Director at

the TSA, said: "The TSA Annual President's Lunch provides an important opportunity for members and colleagues from across the sector and beyond to connect, network, share ideas and learn about latest developments in the bulk storage and energy infrastructure sector.

"This year's event highlighted the importance of cooperation and partnership to tackle the challenges of today and take full advantage of the wealth of opportunities ahead. Phil Scott, former Director of Safety and Security at the Chemical Industries Association, and Chair of the Process Safety Forum, gave his reflections on safety and safety leadership, which is at the core of managing major hazard businesses."

## SAF innovator Firefly Green Fuels wins innovation award

**Firefly has won the Innovation of the Year award at this year's WWT Water Industry Awards.**

The Firefly team were invited to attend the prestigious annual Water Industry Awards ceremony, held in Birmingham, where they were announced as winners of the award for their work with Anglian Water.

Firefly was recognised for its innovative process that transforms biosolids, a by-product of water treatment, into highly sustainable biofuels, including SAF.

James Hygate, CEO, said: "We're thrilled to have been recognised for this important award. The water industry are key partners of ours and have shown time and again their dedication to supporting emerging green technologies."

This award follows a busy six months for

Firefly, in which plans for the UK's first sewage-to-SAF production facility were announced. The facility, which will be located in Harwich, Essex, will be realised with support from a range of key industrial partners, including Anglian Water.

The company has also announced a partnership with Chevron Lummus Global (CLG), a leading technology provider in the renewable transportation fuels industry.

CLG will provide bespoke refinery infrastructure, designed to optimise efficiency and flexibility while minimising emissions for Firefly's commercial-scale plant.

Following the successful night at the glittering award ceremony, James added: "The team are hugely grateful to the team at the Water Industry Awards for organising a very memorable evening."



# New test kit speeds up fuel contamination detection

Conidia Bioscience has expanded its range with the launch of a new test kit designed to rapidly detect microbial contamination in marine fuel to prevent operational downtime and safety issues.

FUELSTAT® One can be used to monitor fuel quality throughout the fuel supply chain, from storage terminal to fuel tank.

A simple, rapid lateral flow test, conducted on either free water or fuel phase samples to detect a broad range of microorganisms, the new test kit provides a fully quantitative contamination value in just 20-30 minutes. Similar to the way in which a COVID-19 lateral flow test identifies markers of infection, FUELSTAT® One detects markers of bacteria and fungi that can grow in fuel, potentially causing operational downtime, corrosion, and severe safety issues.

## Contamination risks

Microbial contamination in fuel poses significant risks to safety and performance. Microorganisms, such as bacteria, fungi, and yeast, can proliferate in fuel tanks, leading to biofilms and sludge formation, which can clog fuel filters and obstruct fuel lines, causing engine malfunctions or failures. Additionally, microbial activity can produce corrosive by-products that degrade fuel tanks and components. Contaminated fuel can also reduce engine efficiency and increase emissions. Regular monitoring, maintenance,



and proper fuel storage practices are essential to ensure fuel cleanliness and maintain reliability, safety, and efficiency.

Jay Patel, Head of Innovation at Conidia Bioscience, says: "After years of development, the introduction of FUELSTAT® One represents a significant advancement in microbial detection for marine fuel and redefines the industry benchmark. Just like the established FUELSTAT® Plus test kits, which detect fuel-degrading micro-organisms in minutes, the new test kits enable a single person to conduct tests at the tank using just four drops of fuel sample, following step-by-step video test instructions via the app."

These tests are conducted on-site, complying with ASTM D6469 guidance for testing for contamination within 24 hours. No laboratory



is required, avoiding time delays and associated expenses.

"Unique to the world of fuel testing, the test kits are supported with an app that provides instant test results, as well as a PDF report that can be shared from ship to shore worldwide. Registered users can manage results from all tests conducted by their team, throughout their fleet globally, in real-time, at the touch of a button," concludes Patel.

# OMJ launches B7 Blended ULSD – UCOME Benchmark for UK

Oil pricing solutions provider, The Oil Market Journal, has launched a B7 benchmark price which reflects product supplied at a UK refinery level. The new OMJ benchmark is based on a blend of Platts 10ppm ULSD and Argus UCOME prices.

The new B7 blended ULSD - UCOME End of Day prices are published in US \$/t. and GBP PPL in the OMJ End of Day Reports. OMJ intraday real-time indications are available on the OMJ Professional Service website, smartphone app, ticker and wallboard.



# It didn't come home for the England team, but how about for you next season?

Following the success of the inaugural FON Fantasy Premier League competition, we are delighted to announce that it will run again through the 2024/25 season.

Massive thanks go to our inaugural season sponsor, ESL Fuels. A family business that designs, blends, processes and supplies a range of fuels for road, heating and marine, as well as producing innovative and environmentally sustainable liquid fuels, we are delighted that ESL Fuels will continue as sponsor of the FON mini-league for the new season.

## Successful launch

A huge success, the 23/24 FON mini-league saw 71 entrants competing to finish the season top of the league. That glory went to the unplayable Matt Finch – who amassed an incredible 2,540 pts to win the FON mini-league and finish an impressive 28,510 out of 10,905,021 players globally! A shrewd manager, Matt used 34 transfers over 38 game weeks increasing his squad value from £100.0m to £104.5m. Congratulations Matt!

**Second place** – Chris Nicholls with 2,474 pts

**Third place** – Margaret Major with 2,445 pts

**Wooden spoon** – the wooden spoon, for finishing the season bottom of the league, goes to Shakil Dharas, who lost the relegation battle with 1,100 pts.

## Most valuable squad

Using 49 transfers and finishing the season 15th with 2,359 pts, Andrew Higgins managed to increase the value of his team, R. B. Higzig, to an impressive £107.1m.

## Monthly winners

August – Michael Lawson

September – Dylan Walsh

October – Nath Morgan

November – Matt Finch

December – Ali Aswat

January – Andy Walkden

February – Matt Finch

March – Nath Morgan

April – Claudia Weeks

May – Bernard Gabriel-Whyte



Winner Matt Finch receiving his award for his early season month win

## Best team names (as judged by our sponsors ESL Fuels)

Mayur Odhavji – Flying Without Ings

Claudia Weeks – Neville wears Prada

Margaret Major – Darwinnertakesitall

John McKenna – Gangsters Allardyce

Harry Case – Alisson Wonderland

## Join us for the 2024/25 season

It's FREE to enter and there are fantastic prizes to be won, both monthly and at the end of the season – but you have got to be in it to win it!

Watch out for further details on our website at [www.fueloilnews.co.uk](http://www.fueloilnews.co.uk) and in our industry newsletter. To register your interest now, and request the entry code, simply drop an email to [margaret@fueloilnews.co.uk](mailto:margaret@fueloilnews.co.uk)



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# “Let’s shift our focus to our customers” – industry reactions to the new government



Ken Cronin

Responding to the election outcome, Ken Cronin, CEO of UKIFDA, the leading industry body for the liquid fuel sector, has urged the industry to look ahead with a focus on customers, and remains optimistic on delivery of a Renewable Liquid Heating Fuel Obligation (RLHFO).

“Let’s shift our focus from the election outcome to what the next few years hold for our customers.

“As we move beyond the recent election and look ahead to the next few years, it’s important to shift our focus to the issues that directly impact our customers. One such significant issue is the transition towards renewable liquid heating fuels.

“During the last parliamentary term, we successfully persuaded all political parties that a Renewable Liquid Heating Fuel Obligation (RLHFO) was the right approach to help the 1.7 million rural homes using fossil fuels transition to renewable liquid heating fuels. The RLHFO provides a cost-effective and least disruptive pathway for these households to contribute to the decarbonisation of the UK’s heating sector. It also aligns with the new government’s objective of achieving clean power by 2030 and, importantly, it doesn’t impose additional strain on the electricity capacity requirements in rural areas.

“Despite the recent changes in political representation in over 50% of the 100 constituencies where the majority of our customers live, we remain optimistic about

maintaining cross-party support for this initiative. It’s reassuring that the Labour Party’s manifesto commitment that no one will be forced to replace their boiler fits with our proposed solution.

“As we embark upon this new political landscape, we will engage and collaborate with all MPs across the country to address the unique challenges our customers face and ensure a deep understanding of rural heating issues.”

## Collaboration key to growth

Peter Davidson, Chief Executive, Tank Storage Association, congratulated Keir Starmer and the Labour Party on winning the 2024 General Election and highlighted his hopes that the bulk storage sector can become a “driver of change” to deliver “growth and prosperity”.

“We look forward to working with the new government on implementing their manifesto pledges, including the introduction of a new mission-driven and forward focused industrial strategy for the UK with partnership at its core.

“The bulk storage and energy infrastructure sector is an integral part of a complex web of global activities and supply chains and is well set to thrive in the coming years. It is at the heart of the UK’s journey towards carbon neutrality and leading the way to open up new possibilities.

“Our core priorities are ensuring that an



Peter Davidson

industrial strategy for the UK recognises the significant contribution of the sector and its innovative capabilities, that companies can access the capital and talent they need, and working in partnership to ensure this vital sector becomes a driver of change and contributes to shaping the next decades.

“The Tank Storage Association’s 2024 Industry Manifesto sets out six steps that the new Government could take to deliver growth and prosperity by collaborating with the bulk storage and energy infrastructure sector and take full advantage of the wealth of opportunities ahead in the journey to Net Zero.”

## Shared goals

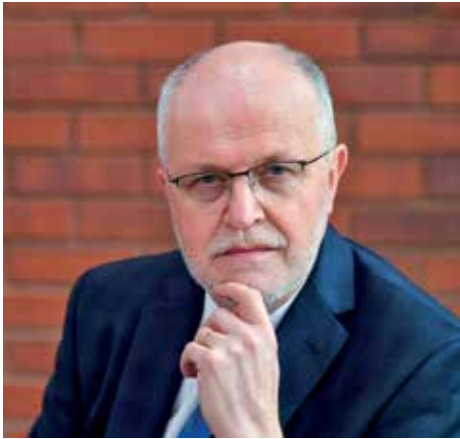
Jamie Baker, Fuels Industry UK Director of External Relations, noted encouraging signs with regard to funding and skills, but was disappointed in the omission of the role for fuels in transport and heat decarbonisation in Labour’s manifesto.

“The Labour government has been voted in on a promise of ‘change’. But they still face the same challenges with securing investment in net zero, improving regulation and lowering costs, as well as making sure we have the skills we need to deliver on those ambitions.

“And there are signs that the new government ‘gets it’. There is funding for carbon capture, essential to decarbonise refineries, and an intention to reduce the industrial energy costs that are a key contributor to the UK struggling to attract investment. Skills policy also looks positive, with early commitments to reforming migration rules and bringing through the apprentices we need.

“We do, therefore, look forward to working with government to deliver on our shared goals. However, it was disappointing that there was little mention of fuels in Labour’s manifesto. Other than the (welcome) commitment to Sustainable Aviation Fuels, there was no reference to the role of fuels in decarbonising transport or heating.

“Hopefully, as the new ministers begin work, the valuable role of fuels and the sector which provides them will become obvious as we continue to deliver lower carbon fuels, and deliver them reliably.”



David Wells

## Boost productivity

“Prioritising logistics can kickstart growth”, says David Wells, Chief Executive of business group Logistics UK

The incoming government could begin kickstarting growth in its first 100 days by partnering with the logistics sector to develop Labour’s promised industrial strategy, a move that would boost productivity for all areas of UK PLC, according to business group Logistics UK.

Following Labour’s election success, the business group has outlined how, with the right policies, the logistics sector is key to driving economic growth and, as one of the UK’s largest employers, deliver skilled roles and break down barriers to opportunity.

“Logistics underpins all sectors of the economy to deliver for households, businesses and public services, every day,” explains Logistics UK’s Chief Executive David Wells OBE, “and is a major sector in its own right, employing 8% of the UK workforce. As a result, logistics is ideally placed to help the new government to get the economy moving again, providing its needs can be accommodated in the new government’s industrial strategy.

“If our members are to help get the new government off to the best possible start and give the economy a vital boost, it is essential that the Labour administration supports the logistics sector to drive the growth the country so desperately needs.

“Efficient, cost-effective logistics is critical to every single part of the UK’s economy and our sector is poised to work in partnership with the new government to establish the infrastructure, decarbonisation, skills, innovation and trade policies that will get the country building again. By involving our members in the development of the planned industrial strategy and the government’s missions, we are confident that logistics can deliver productivity gains to supercharge the

economy by up to £8 billion a year\*.

“It is vital that we power up the country while reestablishing the UK’s industrial strength in a clean, green manner. At the same time, we must work with government to provide the roles that will engage and excite the next generation of logistics talent and future-proof the UK’s supply chain to support trade both at home and abroad.”

## Call for a dedicated minister

Logistics UK remains committed to raising the profile and importance of the sector by encouraging the new government to establish the public-private partnership with the industry which was included in the business group’s Manifesto asks. As Wells continues, this will encourage legislators to consider the needs of logistics businesses as an integral part of all business decision making.

“Logistics has a critical role to play in kickstarting growth,” he asserts. “It is vital that the new administration involves our industry in all areas of Whitehall decision-making on the economy, through the appointment of a dedicated minister for logistics and supply chain – our sector’s role and needs should be an integral part of all plans. This will ensure that our industry can facilitate and support the economic development the country needs to return to growth.”

## Ambitious plans

The country’s leading hydrogen trade association has also welcomed the election result, describing it as “the most advantageous outcome for the sector”.

Celia Greaves, CEO of The Hydrogen Energy Association said the Labour party had put forward the most ambitious vision for hydrogen and she would be working with the new government to firm up its plans.

“We are looking forward to strengthening our existing solid relationships with Labour ministers and working with the Labour government going forward to develop the details behind their manifesto commitments,” she said.

“We have had many, useful conversations with the party over recent months leading to collaboration around policies and endorsement for our ambition and work to date.

“In the last few weeks, we have seen Labour double down on its Clean Energy Superpower commitments to cut bills, create jobs and delivery energy security by 2030, with investment pledges and reconfirmation of a £500m green hydrogen manufacturing fund.

“We anticipate continuing to work in



Celia Greaves

partnership with the new government to prioritise clean power in line with pledges made in the run up to the election to maintain momentum and push for climate leadership for the UK on the world stage.

“We hope that the incoming government will bring new enthusiasm to drive forward ambitions that require solid commitment and decisive action.”

Celia added that it was vital to maintain the momentum of the last five years that witnessed the launch of the Hydrogen Strategy in 2021, the Scottish Government’s Hydrogen Action Plan in 2022, the launch of the HAR scheme and the passing of the Energy Bill.

“A lot has been achieved, but we have to move quickly to reap the benefits of hydrogen across clean growth, energy resilience and net zero goals which the Labour government understands,” she said. “Our new Prime Minister has to realise the ambition with policy specifics to underpin the rhetoric and be prepared to make the big decisions that are required to drive change.”

## Global potential

Tony Fountain, Managing Partner at Essar Energy Transition was another welcoming the new government as he reiterated the company’s commitment to a just transition.

“On behalf of Essar Energy Transition, I would like to welcome the incoming government and wish Prime Minister Keir Starmer and his team a productive start.

“At EET, we are committed to supporting communities and job creation in the North West, and look forward to working together with the new Government to achieve a just energy transition that benefits all.

“The UK has the potential to be a global leader in industrial decarbonisation and EET, in partnership with Government, is here to support this ambition.”



# Future fuel ready

Given the increasingly important role HVO has to play in decarbonising the liquid fuel sector, industry equipment supplier, Hytek has been working hard behind the scenes to ensure its products and solutions are compatible with the renewable liquid fuel.

We caught up with Andy Seal, Commercial Manager for Hytek, to find out more about the company's efforts to be future fuel ready.

"At Hytek, we understand how HVO can help businesses transform their futures. For some time now, we've been working away in the background to ensure many of our market-leading products and solutions are compatible with HVO. We're delighted to confirm that our entire range of diesel equipment, including our Pumptronics Pumps and O.L.E. Tank Gauges, are fully compatible with HVO, having undergone several years of rigorous testing procedures, with no adverse effects."

## HVO, an engineer's dream

"As a drop-in alternative to diesel, HVO really



is an engineer's dream. It's odourless, with zero FAME, sulphur and fossil content, which significantly reduces issues associated with diesel bugs. HVO is a type of fuel that is able to resist diesel bugs and water contamination. It has excellent cold weather properties, with a low cloud point of -32° C, which reduces the likelihood of waxing during low temperatures. Additionally, it has a higher flash point than other fuels, which means it is less flammable and safer to handle and store."

## Important factors when switching your customer to HVO

"The biggest recommendation we make is to follow good housekeeping rules. Ensure that your customers' fuel storage tanks are clean and free of diesel bugs. Also, make sure that the

existing dispensing equipment is serviced, filters are either cleaned or replaced, and meters are calibrated."

## What do your customers need to know?

- As well as offering up to 90% lower emissions, HVO has an impressive 10-year storage life.
- HVO offers improved performance in all conditions, even at lower temperatures, with better MPG.
- Some customers may be able to claim a fuel rebate by using HVO.
- It's important to use a reputable supplier. Check that your HVO adheres to the British Standard for paraffinic diesel fuel specification EN15940, which governs cleaner transport fuel for vehicle road use.

## Fuel of the future

"HVO is a fuel of the future, and we're thrilled to see increased interest in our products for use with HVO in recent months. We are also delighted to confirm that we are currently in discussions with a company to provide a dispenser that will be used to blend HVO with diesel. This will help keep the overall price of fuel down, as well as provide the numerous benefits we have highlighted."

# Fuel Logistics Digitisation

## FuelStar: A state-of-the-art logistics system for all fuel delivery scenarios

TouchStar Technologies Ltd have been supplying Mobile Computing solutions to the bulk logistics industries for over three decades, with a particular focus on the oil & gas sector. This innovative software-hardware combination supports a variety of mobile applications, including;

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## THE LATEST UPDATES FROM OUR DISTRIBUTOR COMMUNITY

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### MechTronic is celebrating 20 successful years

Leeds-based **MechTronic Ltd**, the metering and gauging fuel delivery system specialist, is thoroughly enjoying celebrating its 20th year in business.

As part of the anniversary celebrations, the MechTronic team were treated to a weekend getaway to York with a day at the races.

Brad Wilkie, Managing Director, said: "Our dedicated team has played a crucial role in our achievements over the past 20 years. As a token of our appreciation for all their hard work, it was a real delight to be able to celebrate with them.

"We look forward to many more years of delivering excellent service to our customers."

*Congratulations to all the team, we hope you had a fantastic weekend!*



### Luke Smith of Craggs Energy – a genuine passion for the industry

**Craggs Energy** – the West Yorkshire-based distributor, would like to say a big congratulations to Luke Smith for passing his apprenticeship and becoming a fully-fledged Sales Executive for the business!

Danny Almond, Sales Manager said: "Luke has been a valued member of our team since joining our apprenticeship programme. His dedication, enthusiasm, and eagerness to learn have truly impressed us each day.

"Throughout his apprenticeship, Luke consistently demonstrated a strong work ethic, a genuine passion for the industry, and a commitment to exceeding his customers' expectations. We are incredibly proud of you Luke and excited to see you continue to flourish in your role - A big well done from us all!"

*Congratulations Luke!*

### IFC Inflow – Greg Clarke celebrates his 60th birthday

With Greg Clarke, Technical Director at **IFC Inflow**, celebrating his 60th birthday in July, the team wanted to wish him a very happy birthday!

Kiran Shaw, Sales and Operations Director, commented: "We wish Greg a fantastic 60th birthday. It's amazing to think Greg has spent more than half of his life working for IFC. He is the company oracle and a great colleague to work with!"

*Happy 60th Birthday Greg from all of us at Fuel Oil News – we hope you had a blast!*



### Barton Petroleum Ltd – An incredi-bowl evening!

**Barton Petroleum Ltd**, the Northamptonshire-based fuel distributor, enjoyed a team night out to the bowling alley.

Morgan Webb, Depot Assistant Supervisor, said: "What a fun Friday evening we had. We had such an incredi-bowl time, it really was right up my alley! The photo shows just some of the amazing team we have at the Wellingborough Depot.

"A night out with the team is brilliant, it's great fun, a great laugh and I feel lucky to be working with such a fantastic group of people."

*If you've recently enjoyed a team night out then do let us know, and share your photos! [claudia@andpublishing.co.uk](mailto:claudia@andpublishing.co.uk)*



## Nolan Oils – supporting their community

Nolan Oils, the Bicester-based fuel distributor, is always keen to support and help their local community. Over the last 12 months, they have sponsored and supported 36 local causes, charities and sports clubs.

They continue to be proud sponsors of Ardley United FC (who play on 'The Nolan Oils Ground') and have recently helped organise a charity football match to raise money for one of their players, Nate Robinson.

Nate recently donated his own heart valve to save his son. Nolan Oils and Ardley United FC were keen to raise money for Nate as he has lost income going through the procedure to support his son. Following surgery, Nate then developed a collapsed lung and pneumonia. He and his son are on the road to recovery, but it's clearly been a challenging time.

Luke Nolan, Sales Director, said: "It was a great evening and heart-warming to see the local community and club come together to support this worthy cause.

"We all know without hesitation that we would do the same for our children but how many of us are put it that situation. We hope both have a speedy recovery and we look forward to seeing Nate back on the football pitch soon."



## Moorland Fuels – Tee-rific success on the golf course

Moorland Fuels, the Devon-based fuel distributor, is extremely proud of Director, Abby Turner, for her recent success in a South West golf tournament.

Abby explained more about the event: "I took part in the Women's South West Inter-Counties Championships. It's where the 6 Counties that make up the South West (Cornwall, Devon, Dorset, Gloucestershire, Somerset and Wiltshire) play scratch matchplay against each other to see which county will go forward to represent the South West in the National Championships.

"This is the 12th year that I have represented Devon as part of the Inter-Counties Championships. It is always a highlight of my year. I love the camaraderie with my teammates and the opportunity to play against some of the best players in the South West. It was hard going at Perranporth Golf Course. The weather wasn't great, with strong winds and a mizzly drizzle. Devon came third in the end, which is up a position on last year."

*A huge congratulations to Abby! If you or someone in your team has recently achieved sporting success then please do let us know: [claudia@andpublishing.co.uk](mailto:claudia@andpublishing.co.uk)*

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## Standard Fuel Oils named amongst North West's fastest growing companies

**Standard Fuel Oils**, the Liverpool-based distributor, is delighted to announce that they have been named as one of the 50 fastest growing companies in North West England.

The Ward Hadaway North West Fastest 50 Awards, in association with Greater Manchester Chamber of Commerce, celebrate growth, innovation and commercial achievements of North West businesses.

Based on financial data filed with Companies House, the list ranks the fifty best performing companies which have consistently increased turnover over the past three financial years, whilst remaining profitable. Standard Fuel Oils was ranked 22nd after another successful year.

### Impressive growth and sustained profitability

Paul Johnson, a partner in the corporate team at Ward Hadaway's Manchester office, said: "We are delighted to recognise Standard Fuel Oils as one of the fastest growing companies in the North West. Their impressive growth and sustained profitability over the past three years is a clear indication of their innovation and hard work. We congratulate them on their success and look forward to seeing their continued achievements."

"This year's awards highlight the ingenuity and adaptability of businesses in the North West, showcasing how companies like Standard Fuel Oils have not only navigated challenges but also thrived. The Ward Hadaway North West Fastest 50 Awards aim to inspire and encourage other businesses in the region to strive for similar excellence and growth."

Company Director Nick Goodwin said: "We are thrilled to be recognised in the Ward Hadaway North West Fastest 50 Awards. Our ranking in the annual list is a testament to the talent, commitment and hard work of our entire team and we couldn't have done it without them. We are excited about the future as we continue to develop and grow."



## WCF Ltd – Celebrating Employee-Ownership Day

**WCF Ltd**, proudly celebrated Employee-Ownership (EO) Day on June 23rd. EO Day is an annual opportunity to showcase the employee ownership sector in the UK.

Pippa Scott, Sales and Marketing Executive at WCF North West, said: "WCF Fuels North West were proud to celebrate EO day – we decided to celebrate by embracing our "Better Health at Work" motto. A week filled with fruit and spending time together as a team recognising the work we do to strive to make our WCF family business grow and on the amazing customer service we offer.

"Throughout the whole week, staff wrote down their answers to, "What makes you most proud about being a WCF Employee Owner?". These were then displayed on our fruit. Such a heart-warming way to come together and appreciate the hard work over the last year."



## NWF Fuels – Health and Safety Award 23/24

**NWF Fuels**, the Crewe-based distributor, is always keen to celebrate its depots and employees and to show its appreciation for their hard work and dedication to the business.

The Kenilworth Depot has recently been awarded the NWF Health and Safety Award 23/24.

Danny May, Depot Manager at Kenilworth, said: "I'm really happy that Kenilworth has been awarded the NWF Health and Safety award. Our operations team work tirelessly to ensure we are compliant and in line with the current regulations necessary to run a safe operation at the depot and are a huge part of our success."

*Congratulations to all at the Kenilworth Depot!*





# Over 100 companies add signatures of support to industry letter to Secretary of State

INDUSTRY TRADE BODIES UKIFDA AND OFTEC HAVE WRITTEN A JOINT LETTER TO THE NEW SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO TO OFFER THEIR COOPERATION IN DELIVERING CARBON BUDGETS 4 AND 5.

Signed by over 100 UKIFDA and OFTEC members, the letter congratulates Ed Miliband on his appointment, and welcomes the Government's ambition to deliver clean power by 2030, and its commitment to support consumers to decarbonise home heating. Addressing the specific challenges around off-grid homes, the letter highlights the affordable, immediately deliverable, solution developed by the industry, in the form of renewable liquid fuels.

With this solution ready to implement, and at no cost to the treasury, the letter extends an offer to meet to consider how renewable liquid fuels can help rural communities to decarbonise in an affordable and straightforward way, while contributing to carbon reduction targets, and the policy support needed to achieve this.

## Overwhelming support

UKIFDA and OFTEC members collectively serve 1.7 million off the gas grid households and represent every aspect of the supply chain.

The significant number of co-signatories indicates overwhelming support from these industry companies, the majority of which are family-run businesses, committed to serving their local communities.

The letter, seeking the opportunity to work with the Department in delivering on its clean energy objectives, was sent to the Secretary of State in the week following his appointment and is reproduced in full on the next page.



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The Rt Hon Ed Miliband MP  
Secretary of State for Energy Security and Net Zero  
Department for Energy Security and Net Zero  
55 Whitehall London SW1A 2HP

12th July 2024

Dear Secretary of State,

We write as businesses that serve 1.7 million off the gas grid households across the United Kingdom with vital oil heating services. Collectively, we represent every aspect of the supply chain, we operate in every UK nation and region and our industry employs tens of thousands of people, particularly in rural areas.

We would like to firstly congratulate you on your appointment as Secretary of State for Energy Security and Net Zero. We very much welcome the new Government's commitment to supporting consumers in decarbonising their home heating. We strongly believe in a mixed technology approach which recognises the many different factors involved. Our industry is well placed to aid the delivery of the Government's Net Zero ambitions to deliver clean power by 2030 and to help implement the Labour Party's manifesto and pledge during the election campaign that no one will be forced to rip out a boiler. We have developed a solution for off-grid homes, in the form of renewable liquid fuels, which is affordable and practical for consumers, significantly reduces their emissions and delivers on Carbon Budgets. We would welcome the opportunity to discuss this further with you.

Over the past three years, our industry has demonstrated that renewable liquid heating fuel is a workable solution and is popular with consumers. This involved replacing heating oil in 150 buildings, including the majority of homes and public buildings in the village of Kehelland in Cornwall, a typical rural/coastal off-grid community. This demonstration project has been a significant success. It showed that there were no technical obstacles to introducing the fuel (Hydrotreated Vegetable Oil - HVO) to off-grid homes, with no disruption, no requirement for extra electricity grid capacity and that there is a high degree of consumer buy-in, while delivering up to 88% reductions in carbon emissions.

The policy lever needed to deploy renewable liquid fuels is already in place. Section 159 of the Energy Act 2023 simply needs to be implemented, as it already gives the Government the powers to create a Renewable Liquid Heating Fuel Obligation (RLHFO). This received cross-party support including from the Labour frontbench when it was passed last year. A RLHFO would incentivise the use of renewable liquid fuels at no cost to the Treasury. This is a tried and tested mechanism, having been used successfully by the last Labour Government, to reduce the cost to the consumer of renewable liquid fuels for transport since 2008.

Conversion to HVO does not require a change in the boiler or a change to the fabric of the home, meaning the cost to homeowners is minimal. This is important given that 96% of oil heated homes are rural, with lower electric grid capacities. Furthermore, nearly 50% were built before 1919, are detached and have more than 4 bedrooms, making other technologies more technically and economically difficult to install. If delivered in full, the RLHFO will ensure that the 1.7 million off-grid homes which rely on heating oil are given a choice on how to decarbonise, which is low cost and without disruption.

Furthermore, HVO is independently assessed in terms of sustainability and also passes strict UK Government benchmarks as a sustainable fuel. The latest production and supply data shows that the global production of HVO is increasing rapidly, with more than enough supply to cater for UK home heating demand, whilst more can also be produced in the UK.

To start the transition using the RLHFO, a 20% HVO blend introduced nationally in 2025 would ensure that the Carbon Budgets 4 and 5, for the off-grid sector, would not only be met but be exceeded. We calculate that the carbon saving is 10.57mt over the course of the two budgets compared to the budget of 5.81mt and there is no other existing or proposed policy mechanism that can achieve this within that timescale. This would deliver for the Government an immediate reduction in carbon emissions which has strong consumer buy-in and the cost to the consumer would be as little as £36 per year.

We would therefore welcome the opportunity to meet with you to discuss how renewable liquid fuels can help rural communities decarbonise in an affordable and easy way.

Once again, many congratulations on your appointment and we look forward to hearing from you.

Yours sincerely,

Paul Rose, Chief Executive Officer,  
OFTEC Ltd

Ken Cronin, Chief Executive Officer,  
UK and Ireland Fuel Distributors Association (UKIFDA)



## “Stunned by the support”

ONCE AGAIN, I WAS STUNNED BY THE SUPPORT FROM OUR INDUSTRY WHEN, JUST AFTER THE ELECTION, WE ASKED UKIFDA MEMBERS TO SIGN THIS LETTER. WITHIN A MATTER OF HOURS, WE RECEIVED 80 SIGNATURES, DEMONSTRATING NOT ONLY THE DEPTH OF SUPPORT OUR MEMBERS HAVE FOR HELPING THEIR CUSTOMERS DECARBONISE BUT ALSO DEEP SUPPORT FOR THE SOLUTION WE HAVE PUT FORWARD.

In recent days, the Climate Change Committee (CCC) has published its progress report to parliament. As expected, it highlights that while good progress has been made, the country is now falling behind climate change targets. It also points out that some areas, such as off-grid homes, are not covered by adequate plans.

The report is deeply critical of the former government’s decision to change the oil boiler ban date and to provide heat pump exemptions for up to 20% of homes without outlining any alternative plans to achieve the carbon savings earmarked in the carbon budgets. The report highlights “...confusing and inconsistent messaging and actions...” and “...it creates widespread uncertainty for consumers, investors and businesses at a time where significant build-up in supply chains is needed.”

In the same week, the National Grid released its Future Energy Scenarios. This year, they have evolved their thinking from ‘scenarios’ to ‘pathways’ to explore narrower ranges and strategic, credible choices to propel the UK on the route to decarbonisation.

They presented four pathways:

- **Holistic Transition:** Net zero is met through a mix of electrification and hydrogen, with hydrogen mainly around industrial clusters. Consumer engagement in the transition is very strong, with demand shifting and smart homes and electric vehicles providing flexibility to

the grid.

- **Electric Engagement:** Net zero is met through mainly electrified demand. Consumers are highly engaged in the energy transition through smart technologies that reduce energy demands, utilising technologies such as electric heat pumps and electric vehicles.
- **Hydrogen Evolution:** Net zero is met through fast progress for hydrogen in industry and heat. Many consumers will have hydrogen boilers, though energy efficiency will be key to reducing costs. There are low levels of consumer engagement. Hydrogen will be prevalent for heavy goods vehicles, but electric car uptake is strong.
- **Counterfactual:** Net zero is missed, though some progress is made on decarbonisation compared to today. While home insulation improves, there is still a heavy reliance on gas across all sectors, particularly power and space heating. Electric vehicle uptake is slower than the net zero pathways but still displaces petrol and diesel. Importantly, across all the main scenarios, the National Grid continues to show the need for biofuel boilers, in the main replacing oil boilers in rural areas

In our letter, we highlight to the new Secretary of State that we can provide the solution requested by the Climate Change Committee, as outlined in all the National Grid Pathways. We are fully supportive, have the necessary workforce, and can start immediately.

Number of homes	2023		2050		
	Category (as per ED3)	Five Year Forecast	Electric Engagement	Hydrogen Evolution	Holistic Transition
Oil boiler	1,516,244	-	-	-	210,039
Biofuel boiler	6,050	1,366,777	932,520	1,272,735	350,685
Biomass boiler	5,185	102,134	102,755	125,928	7,393
Hybrid (ASHP + Biofuel boiler)	6,100	167,587	176,512	172,375	23,764

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# A DAY IN THE LIFE...

**Mircea-Daniel Petreus (Dan)**

WELCOME TO OUR FEATURE WHERE PEOPLE FROM MANY DIFFERENT ROLES IN THIS INDUSTRY TAKE YOU THROUGH A TYPICAL DAY IN THEIR WORKING LIFE. THIS MONTH, FUEL OIL NEWS SPEAKS WITH **MIRCEA-DANIEL PETRUS (DAN)**, TANKER DRIVER AT WATSON FUELS AND WINNER OF THE UKIFDA DRIVER OF THE YEAR AWARD 2024, TO DISCOVER HOW DAN SPENDS A TYPICAL DAY.



## MY ALARM GOES OFF AT...

My alarm usually goes off at half past 4, and I have a few reasons why I like to get up that early. I like to be organised, I like to avoid the traffic in the morning, and I like to feel prepared for the day ahead – I find it much better that way.

## THE FIRST THING I DO IS...

I have a shower and make a coffee. I like an Italian one, an espresso – a strong one!

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

Making sure I have a lunch to take with me, and a clean uniform. When customers are seeing you, I think it's important to make sure your appearance is nice and you are well presented.

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

My keys, and a goodbye from my wife.

## MY TYPICAL DAY –

I arrive at the depot around 5am, change into my uniform and PPE, and put my digital card in.

I start with a check of my truck, to make sure the vehicle is ready for the day. I like to pre-load so usually I'll have pre-loaded the night before. I'll have another quick coffee while reviewing my route, before I head out to start my trip and start making my deliveries.



In the course of the day I'll be interacting with customers – new customers and existing customers – as well as talking with our planning team.

In our job, we'll come across new challenges every day, but I love it – I love driving and love seeing the beautiful views around the Wisbech area.

## MY MOST MEMORABLE WORK MOMENT...

I still have very strong memories of my first interview, visiting the depot for the first time and getting the opportunity to join the fuel industry.



## THE WORST PART OF MY JOB...

I wouldn't say worst, but probably the most challenging aspect, is delivering to new customers – finding the correct addresses, locating the tanks, performing delivery assessments for the first time.

## THE BEST PART OF MY JOB...

Seeing new drivers come in and learn the craft. I can resonate with them – I remember when I was a beginner! There is the initial training, and then you are signed off to go out and start trips on your own. It's exciting, and I love seeing new starters picking it up.

## I RELAX AFTER WORK BY...

Spending time with the family, and going for a nice walk with the dogs or watching a movie.

## MY FAVOURITE MEAL IS...

Breakfast for sure – a nice crispy baguette, ideally an Italian crispy baguette with ham, cheese, and tomatoes.

## ON MY BEDSIDE TABLE IS...

A very nice, religious ornament from my mother-in-law. She gave it to me as a gift when our son was born, so I have great memories, and it represents something to me.

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

Kiss my wife and say goodnight.

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

9pm, 9:30pm at the latest.



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# Alfons Haar Ltd: proudly celebrating 75 years

FOUNDED IN 1949, GERMANY-BASED ALFONS HAAR LTD IS NOW A GLOBAL BUSINESS FOR THE STORAGE AND TRANSPORT OF FUELS, CHEMICALS AND POWDER, AS WELL AS MANUFACTURING A VAST ARRAY OF FUEL PUMPING, METERING AND DISPENSING EQUIPMENT.

CLAUDIA WEEKS, COMMUNITY CONTENT LEAD FOR FUEL OIL NEWS, SPOKE WITH **WILLIAM MORTON** (PICTURED RIGHT), UK AND IRELAND SALES MANAGER, TO LEARN MORE ABOUT THE HISTORY OF THE BUSINESS AND ITS PLANS FOR THE FUTURE.



## 75 years in business

“We are incredibly proud to hit such a milestone for the business, and it is a testament to all the staff and customers that have supported us over these last 75 years,” William began, before looking back over the history of the business. “Alfons Haar was a trained locksmith and turner, a double engineer in mechanical engineering and structural steel construction. With a young family, he took the plunge to start his own business, Alfons Haar Maschinenbau, on March 15th, 1949.

“From a rented horse stable in Hamburg, Germany, he began to single-handedly produce mechanical solutions. His first job was a repair to a Fiat and one of his first products was a fish deboning machine for the local fisherman of Hamburg.

“Today we manufacture from three large factories in Hamburg, one in the Czech Republic and even an aircraft refueller manufacturing factory in the USA. We also have our own in-house software development company.

“We now boast an extensive portfolio that includes liquid fuel solutions, aircraft and boat refuelling solutions, LPG and cryogenic products as well as canning and pressing machines! The founding principles of quality manufacturing and innovative design continue, with all products designed, developed and manufactured in-house.”

## Key company milestones

William was keen to share the key milestones of growth and change from the last 75 years:

- March 15th, 1949, Alfons Haar Maschinenbau was formed.
- 1955 De Spargel (The Asparagus) was launched. This can be described as Alfons Haars first fully in-house development. This was an extendable telescopic light mast that when mounted on a vehicle could be used to light up an airfield. This development, and the



Propellermeßgerät an aeroplane propeller measuring device designed and manufactured by Haa

relationships established, led to Alfons Haar manufacturing the world’s first automatic valve for aircraft refuelling.

- 1955 The foundation stone was laid for Fangdieckstrasse 67, Hamburg, our current Head Office. From 1981 to 1988, this was expanded in nine construction phases to extend the production facilities and offices to meet demand.
- 1964 Alfons Haar began its journey on the international stage with the opening of its first subsidiary, in France.
- 1969 Thomas Haar joins the company whilst studying Electrical Engineering.



75th anniversary celebrations

## Fa. Haar - Der Spargel Lichtmast Lightmast

- 1978 Alfons Haar introduces the world’s first fully automatic sheet metal press with numerical control.
- 1984 The second generation, Thomas and Bernd Haar, take the reins to run the company and lead Alfons Haar through technological advancements.
- 1990 Alfons Haar launches the ELZ Meter – the world’s first electric meter for heating oil vehicles.
- 1992 Alfons Haar introduces crossover prevention.
- 1995 Alfons Haar Ltd opens its doors in the UK.
- 2008 The first incarnation of PreciControl is launched, with its innovative PreciBus cable eradicating the requirement for wiring junction boxes.

## A family business

Alfons Haar is still very much a proud family business as William explains, sharing more about the family that continue to lead this global business: “Alfons’s son, Thomas, was only a baby when the company began. He was fascinated by engineering and, as soon as he could, jumped at the opportunity to join the company whilst studying electrical engineering.

“Thomas, along with his brother, Bernd, were part of the global expansion of Alfons Haar and introduced the philosophy of “Full Automation” – Thomas still plays a part today.

“Today the third, and current, generation of Stefan, Florian, Tobias and Bastian Haar, responsibly uphold the values and vision of the company.

“The company started with one member of staff, Alfons Haar, and now has over 450 employees worldwide. These cover a plethora of roles such as design engineers, technicians, factory workers, salesmen and even software developers.



**Firma Haar Friedensallee workshop**

“We are proud to say that we remain a privately-owned, family company and we will continue to remain so into the future.”

### **Trust, integrity and respect**

Claudia asked William about the customers of Alfons Haar – what makes a customer choose them as their supplier?

William responded: “Family values of trust, integrity and respect are at the very core of our business.

“We have some very loyal customers, and that loyalty is reciprocated, as we take the time to ensure the products we supply are of the highest quality and that the service we provide is the best it possibly can be.

“Our eighteen subsidiaries around the world, that are all wholly owned by Alfons Haar Maschinenbau, actively market our products as well as providing service solutions.

In the UK, for the last 29 years, we have operated from our offices in Leeds. We provide a one-stop shop for customers with direct sales, service and parts departments.

“Another big factor must be the innovation of our products seeking to resolve problems with solutions,” William continued. “Our focus on developing automation can be seen across the entire Alfons Haar portfolio. The 100%



**Head Office**

automation of vehicle valves brings significant added value for our customers, among others, reducing delivery times and increasing safety.

“Every product we sell bears the family name; with this comes a responsibility to protect the legacy left by Alfons Haar. This drives the company to continue to produce products of the highest quality.

“We are truly unique in our market sector, as we design and manufacture all our own products, from pumps, meters, valves, manifolds, overfill prevention etc. – the list is endless!

“Consistency in company management allows us to concentrate on long term success. I think customers appreciate the innovation, quality of the product and the fact that we are an independent family company.”



**Fa. Alfons Haar Lightmast in use 1955**

### **Energy transition – no golden egg**

The energy transition impacts all businesses in the industry, and Claudia asked William for his views on the changing energy landscape. “The reality is that we need to move away from high polluting fossil fuels,” he replied. “However, this transition is not one that is going to be easy!

“Liquid fuels need to be part of an energy mix as we make the transition. The EU has recently announced that it will allow car manufacturers to continue to produce combustion engines to 2035, to allow the use of synthetic fuels with much lower carbon footprints.

“Electricity will also need to be part of the energy mix; however, major investment is required in infrastructure and how we produce electricity. There is no golden egg.

“Our industry will undoubtedly change, however with change comes new opportunities. Alfons Haar has looked to diversify its product range to include LPG and Cryogenic products which will also play a huge role in reaching the goal of net zero.”

### **Anniversary celebrations**

Alfons Haar celebrated the 75th anniversary with a fabulous party for all staff globally at the Head Office in Hamburg, Germany. William spoke with enthusiasm about the event: “It was a fantastic day, and we even managed to arrange for the sun to shine!

“We celebrated by having a Family Fun Day at our Head Office in Hamburg, with over 250 staff from around the world and their families attending. We enjoyed a fantastic BBQ, an open bar, a live band and superb speeches from Bastian and Thomas. There were even demonstrations of some of our products!”

### **The future for the business**

“The changes in the world seen by the company in the last 75 years are incredible to think about. The next 75 years may see even more dramatic changes as the world works towards carbon neutrality and the inevitable technological breakthroughs.

“One thing is for certain, Alfons Haar will continue with the same principals and family values that have allowed us to reach our 75-year anniversary; a loyalty to our customers, a high sense of responsibility for all of our colleagues and reliable and consistent management with dynamism and constant innovation.”

*Fuel Oil News wishes William and all the team at Alfons Haar a very happy 75th anniversary and looks forward to catching up with them soon.*

# Can Northern Ireland lead the way for sustainable liquid fuels?

DAVID BLEVINGS, OFTEC'S IRELAND MANAGER, SHARES THE LATEST UPDATE

Every region of the UK needs to substantially reduce its carbon emissions to ensure our 2050 net zero target is achieved. In Northern Ireland energy policy is devolved, and the 'mood music' is positive towards sustainable biofuels for heating.

Currently, 526,000 homes in the region use liquid fuels for heating and, while the UK Government's current ambition is to transition most homes from fossil fuel boilers to heat pumps, in Northern Ireland this will not be feasible anytime soon.

Why do we say this? Well, for several reasons. At a meeting, earlier this year, of the Northern Ireland Affairs Select Committee at Westminster, we heard from representatives of the electrical sector that it could take 'decades' to upgrade the infrastructure.

Furthermore, government acknowledges that to provide the 'green power' for the increasing adoption of electric vehicles, and to start to decarbonise the heating for homes and places of work, Northern Ireland needs to double its renewable generating capacity in the next ten years.

## A huge challenge

With existing budgetary pressures across all departments, this is a huge challenge for our Assembly.

While policymakers' attention is rightly focused on transitioning household heating to low carbon fuel sources, the industry's focus is on reminding them of the necessity to ensure the right technology is installed in the right homes to avoid the risk of unintended consequences.

We did exactly this at the NI Affairs Committee, where we told the MPs present that, if a 20% HVO/kerosene blend was introduced as part of the UK's RLHFO, it would see the UK meet its carbon budgets four and five (for heating), as the roll out could start immediately and would instantly impact all oil heated homes.

## Decarbonisation with consent

While heat pumps may be the answer for some, for a lot of homeowners they are simply financially unviable. At present, the average cost to the consumer of installing a heat pump



and retrofitting a house is around £24,000.

A switch to a blended heating product would cost little (minor adaptations to burner and a biofuel compatible fuel line) if government introduced a Renewable Liquid Heating Fuel Obligation (RLHFO), like the Renewable Transport Fuel Order (RTFO) for transport.

We have already had some success in this area when George Eustice MP managed to get an amendment to the Energy Act last year. As set out in Section 159 of the Energy Act 2023, the Government must undertake a consultation on implementing a Renewable Liquid Heating Fuel Obligation (RLHFO). There is more information on this on page 14 of this issue.

An identical obligation has successfully incentivised renewable liquid fuels in transport since 2008, and RLFs supplied under the RTFO currently contribute a third of the savings required for the UK's transport carbon budget.

This mechanism is well understood by industry, and the supporting legislation is already written. All that is left is for the Government to push the button on the consultation and get the process moving.

Decarbonisation can only be achieved with consent, and it is crucial consumers understand policy plans, view them as fair and feel their views have been listened to.

## A holistic approach

A holistic approach to any future heat policy or energy strategy is required. We believe most of Northern Ireland's rural housing stock can be categorised as complex to decarbonise.

We continue to lobby our local politicians and most get that their constituents will struggle to fund even part of the c.£24K cost to move to a heat pump (with thermal upgrades required to their properties). The good news is that we have cross party support ahead of the energy consultation (which is due out over the summer) with the Deputy First Minister, Emma Pengelly stating that she would be supportive of inclusion (of biofuels) and will feed into any discussion on this matter.

The Economy Minister, Conor Murphy, has followed up to our written question on the inclusion of sustainable biofuels in the future energy policy with an equally positive response: "A key principle of the strategy is to replace fossil fuels with renewable energy, ultimately ending the importing of fossil fuels, and utilising renewable sources such as liquid biofuels like HVO is integral to this shift."

This is the Minister who will ultimately sign off on a new energy strategy for Northern Ireland. For us, the future looks bright, the future looks to include sustainable biofuels for heat in Northern Ireland.



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# TRANSITION TALK

## “E-fuels offer a long-term solution to key energy transition sectors, but the journey needs to start now.”

As the energy transition accelerates, e-fuels look certain to play a critical role in power critical segments of transportation such as shipping, aviation and road haulage. The latest Horizons report from Wood Mackenzie looks at the challenges and opportunities in the burgeoning global e-fuels sector and gives analysis and insight into what needs to be done for synthetic fuel to become a major player in the coming decades.

Electrification is the key enabler of the energy transition, but some sectors, including segments of transportation, will be difficult to electrify. Batteries are a poor substitute for the energy-dense fuels that currently power ships, long-haul aircraft and heavy-duty commercial vehicles, for instance.

E-fuels, also known as electrofuels, eFuels, synthetic fuels, Power-to-X (PtX), Power-to-Liquids (PTL) and renewable fuels of non-biological origin (RFNBOs), are a synthetic alternative to fossil fuels. They can decarbonise hard-to-abate sectors without the need for the early scrapping of long-life equipment.

E-fuels are produced by combining electrolytic (green) hydrogen, made by electrolysing water using renewable electricity, with captured carbon or nitrogen. An e-fuel can be considered carbon neutral if the emissions released into the atmosphere during its combustion are equal to (or less than) the captured CO<sub>2</sub> used to produce it.

Bioenergy investments have gained momentum, but concerns persist over the availability of feedstock. The food-versus-fuel debate lingers. Although primarily considered a long-term disruptor, e-fuels offer companies an intriguing prospect at the intersection of electrons and molecules. The potential to capitalise on existing technical, commercial and marketing capabilities makes it an appealing, if challenging, opportunity for many.

The widespread development and use of synthetic fuels is still at least a decade away and depends on the successful deployment of other technologies, but companies that position themselves now are best positioned for success according to the latest Horizons report by data and analytics company Wood Mackenzie.

The report: ‘Adding fire to e-fuels’ states that e-fuels are a synthetic alternative to fossil fuels and can decarbonise difficult to electrify sectors without the need for the early scrapping of long-life equipment. This means e-fuels can offer a solution to power critical segments of transportation such as ships, long-haul aircraft and heavy-duty commercial vehicles.

“Identifying pathways from legacy fuels into low-carbon alternatives is a perennial challenge for incumbent energy players,” says Murray Douglas, Vice President of Hydrogen Research at Wood Mackenzie. “E-fuels offer companies an intriguing prospect at the intersection of electrons and molecules and the potential to capitalise on existing technical, commercial and marketing capabilities makes it an appealing, if challenging, opportunity for many.”

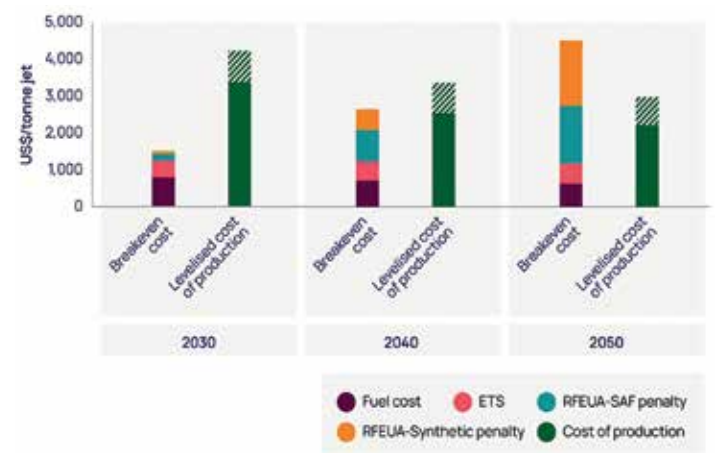
### Challenges abound for large-scale deployment

The report also states that commercial viability is the key challenge in scaling up e-fuel production with green hydrogen production and CO<sub>2</sub> capture costs both high. The subsequent conversion process to the final e-fuel product is both energy and capital intensive – and delivery costs must also be considered.

“There is no shortage of offtakers seeking low-carbon fuels, but the gap between cost of production and willingness to pay is sizeable,” Douglas says. “Each e-fuel has an incumbent fuel it aims to displace, all of which are much cheaper and this means their success will be dictated by policy to mandate volumes, place a cost on emissions and lower production costs.”

Douglas adds that current conversion technologies differ depending on the final e-fuel desired, but the key challenge for all of them is in integrating green hydrogen, carbon or nitrogen, and their subsequent conversion in a large-scale commercial e-fuel production facility.

### E-jet breakevens versus cost of production



RFEUA: ReFuelEU, FEUM:FuelEU

Source: Wood Mackenzie Lens Hydrogen and Liquid Renewable Fuels Service; European Commission

### Policy makers will need to wield both carrot and stick

The report states that currently most e-fuel proposals aim to source CO<sub>2</sub> from a variety of feedstocks with biogenic sources with a low cost of capture, such as biogas and ethanol plants, dominating. But as the production of e-fuels grows the available molecules from such facilities will become scarcer and more dispersed. Costs will rise as e-fuel producers scour for feedstock while looking to scale.

This means that, in the long-term, global policy makers will have to set the standards for where e-fuel producers source CO<sub>2</sub>. In Europe, point-source CO<sub>2</sub> capture from fossil-fuel power generation will only be permitted until 2036 and from other fossil-fuel industries until 2041.

Consequently, large volumes from net carbon dioxide removal (CDR) technologies – direct air capture (DAC) and bioenergy with carbon capture (BECC) – will be required.

“Globally, governments are going to have to take a holistic approach where incentives and penalties are introduced to ensure e-fuel production will be able to ramp up to a scale that will be required,” Douglas says.

The report concludes that producers who can pair low-cost renewables and biogenic CO2 sources will have first mover advantage. However, putting this type of complex and technology-heavy production model in place is a lengthy process that must start now for large-scale production to be in place by the mid-2030s.

### E-fuel marine breakevens versus cost of production



VLSFO: Very low sulphur fuel oil, MDO: Marine diesel oil

Source: Wood Mackenzie Lens Hydrogen and Liquid Renewable Fuels Service; European Commission.

### Who could be the winners in the e-fuel race?

Producers with access to the lowest-cost renewable generation will have the edge. Yet, those same locations won't always have the most advantaged CO2 sources. First movers have found success in pairing low-cost renewables and biogenic CO2 sources.

**Biofuel producers:** the lowest-cost means of meeting many of the coming aviation and maritime targets will be directly through biofuels. Renewable fuel suppliers, such as Neste, Chevron Renewable Energy Group and Diamond Green Diesel (a Valero and Darling Ingredients joint venture), have developed leading positions. Interest continues to build from new entrants, and these early movers will be looking to price up to the margin against the next low-carbon fuel alternative of e-fuels.

**Biomass power generators:** globally, there is 73 GW of biomass generation capacity online today across more than 2,200 projects, highlighting just how fragmented the market is. Drax (2,580 MW) and Ferrybridge (2,098 MW) in the UK are the two largest, having converted from coal plant to biomass. Both are planning carbon capture developments where the CO2 could be sold directly to e-fuel producers. There is no shortage of coal generators globally that could follow suit, but biomass feedstock constraints will eventually surface, and these generators often require subsidy support.

**Vertical integration:** energy producers, including refiners and fuel marketers, who see a long-term future for e-fuels should look to build integrated positions throughout the value chain into renewable generation and biogenic CO2 sources. Although the CO2 can be sourced directly, the privileged few with low-cost biogenic CO2 will look to price as close to the margin of the next scalable CDR or DAC.

**Subsidy accumulators:** regimes around the world will operate

differently. Those who can layer together subsidies across renewable generation, hydrogen production and CO2 capture, then price towards displacement costs in markets with penalties, appear strongest. But many developers will be wary of over-reliance on subsidies given the risk of policy shifts in such a nascent market.

**Access to premium offtakers:** one of the challenges most regularly cited by low-carbon hydrogen developers is sourcing offtakers willing to pay the necessary premium. This comes into sharper focus when it comes to e-fuels, given the uncertainty as to the direction in which costs are headed, how rules governing RFNBO might evolve and what technologies might disrupt the current outlook.

Developers require long-term commitments – from either offtakers or governments. It's unlikely that the former will stretch much beyond five years considering the nascent stage of the e-fuel market, so policymakers will have to step up to cover the cost gap and stand firm against the rules and regulations being signalled today, such as ReFuelEU Aviation and FuelEU Maritime.

**Technology providers and licensors:** the conversion processes are long established across many e-fuels, from which existing licensors are set to benefit, but several technology providers are looking to disrupt the space.

**Traders:** e-fuels will create a commercial intersection between electrons and molecules across transport sectors that is new to the energy industry. Aviation, maritime and heavy-duty road transport use different incumbent fuels where competition has never existed. These sectors are now competing for the same biofuels and the same green hydrogen and CO2 underpinning e-fuels. Green hydrogen and CO2 will be pitted against biofuels to meet low-carbon demand in these sectors, with biogenic CO2 sought after to produce the most competitive RFNBO-compliant e-fuels. Such uncertainty and potential volatility are what traders seek.

### An e-pipe dream or a key role in the transition?

The energy transition requires e-fuels, but they depend on the successful deployment of other technologies that are still nascent and expensive, such as green hydrogen and CO2 capture.

Bilateral agreements between developers and offtakers will provide a commercial structure that de-risks early adoption, and innovative approaches to financing projects are being explored.

“E-fuels are undoubtedly one of the longer-term plays in the energy transition,” says Douglas. “However, companies that set a strategic direction quickest can position themselves to capture the most attractive elements of the value chain and take those learnings forward.”

The report, which can be read in full at <https://www.woodmac.com/horizons/e-fuels-unlocking-hydrogen/> concludes that the complexity of e-fuels from production through to marketing suggests that the best capitalised and most sophisticated players are best positioned to deliver success, but several smaller, nimbler and more focused players are emerging in this space, with the potential to disrupt.

*Murray Douglas, Vice President, Hydrogen and Ammonia Research and one of the reports co-authors, is responsible for Wood Mackenzie's global hydrogen and ammonia research. Underpinned by a growing team of experts and the full breadth of energy verticals, the team's analysis extends across the full hydrogen and derivatives value chain, covering market development, policy, costs and project valuation.*




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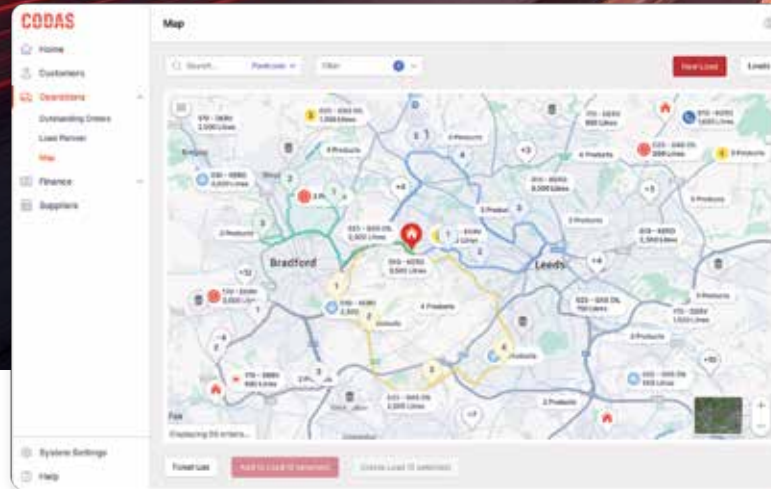
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# Mabanaft internship programme: delivering a talent pipeline

MABANAFT IN THE UK HAS RECENTLY BID FAREWELL TO THE COMPANY'S 2023/24 INTERNS. THE COMPANY HAS BEEN RUNNING A SUCCESSFUL INTERNSHIP PROGRAMME FOR SEVERAL YEARS, AND WE HAD THE CHANCE TO LEARN MORE ABOUT IT, BOTH FROM THE COMPANY AND FROM THE INTERNS THEMSELVES.

## Mabanaft in the UK bids farewell to exceptional undergraduate interns

We bid farewell to our 2023/24 interns, Aryaan, Ivor, Louie and Alistair and wish them much luck as they head back to university to complete their studies. Mabanaft has supported an internship programme for several years, and the team enjoys each cohort's fresh perspective and ideas.

Caroline Watkins, head at Mabanaft UK, comments: *"The internship program serves as a talent pipeline, allowing us to identify and potentially recruit top talent already familiar with the company's operations and values. This has proven successful in the past. They bring an energy and enthusiasm to the workplace, as well as fresh perspectives and new skills."*

During their time with Mabanaft, the interns gain hands-on experience, exposure to industry-leading practices, and the chance to contribute to significant projects.

The fuels industry is a complex and dynamic one. During their year in industry, the interns have worked closely with experienced colleagues to gain a deeper understanding of the regulatory, technical and operational challenges we face daily and why we take a rigorous and precise approach to how we conduct our business. They leave a deeper understanding of the energy sector and a network of professional relationships supporting their future endeavours.

We asked this year's cohort to share their experiences at Mabanaft and reflect on what they will take away from their time with us...

## What have you found to be the most challenging aspect of working in the fuel industry for Mabanaft?

*"I found the biggest challenge was learning to navigate an industry I have no prior experience in."*

Aryaan Din

*"Getting used to the industry area and understanding the reason behind the tasks I performed was challenging but rewarding."*

Alistair Morris



Aryaan, Ivor, Louie and Alistair – the 2023/24 cohort.

## How did the internship help you to develop skills and knowledge?

*"Working in operations and closely with the sales team has given me a broad understanding of the UK downstream industry, including pricing cargos, vessel operations, managing inventory, and downstream business insights."*

Ivor

*"The experience improved my cold-calling/ emailing and my ability to speak to businesses we have relationships with professionally and utilise my Microsoft skills in a professional environment."*

Aryaan

The undergraduates all commented on the vast learning they gained during their time at Mabanaft. They highlighted the numerous skills they developed, from honing their analytical and problem-solving abilities to enhancing their communication and

teamwork skills; the interns will leave with a well-rounded experience that will undoubtedly benefit their future careers.

Their time at Mabanaft deepened their understanding of the fuel industry and equipped them with practical skills and insights that will serve them well in any professional setting.

## Culture at Mabanaft

*"The welcoming culture at Mabanaft was crucial as the industry was new and complex to me in the beginning. The commitment to making my placement valuable was evident and my concerns were consistently taken into consideration."*

Alistair

*"The culture at Mabanaft is very supportive; everyone is happy to help and teach, but most importantly, they trust you to do things your way."*

Louie

*"Mabanaft's relaxed culture allows interns to approach any team with questions to develop their understanding. If an issue arises, people don't hesitate to help out, this provides a great way to network and learn from all departments."*

Ivor

### Opportunities to collaborate with different departments at Mabanaft

Mabanaft is a highly collaborative team environment. Working on a cross functional basis, the interns learn to hone their teamwork skills and develop an understanding of why and how to communicate in a business environment. Aryaan noted significant improvement in his communication skills, Ivor gained hands-on experience in the Ops department where cross functional team work is vital.

*"The extensive collaboration within departments has expanded my skillset beyond risk management. I always felt comfortable asking for clarification, making new work areas interesting learning opportunities rather than stressful challenges."*

Louie

### Applying Skills Gained from the Mabanaft Internship in the Final Year of University

The skills and experience gained during their time at Mabanaft will benefit the interns as they complete their studies and give them a competitive edge as they enter the job market.

*"I am taking an international trade module in my final year, so the knowledge gained by talking with the trading team and working in the sales department will provide invaluable context to that module. Additionally, I'm confident that the business knowledge acquired will significantly contribute to my dissertation."*

Alistair

*"I will incorporate the insights and experiences I have gained from Mabanaft, particularly the downstream sector into my dissertation."*

Aryaan

*"Organisational skills are one that immediately comes to mind. Within Risk, daily reports must be completed, so a daily structure is required, which is the most common pitfall for most students. The level*

*of detail at which I now understand the application of market analysis will be used for my dissertation, not just the growth of my understanding but also the software we use to supplement our daily work, such as Power BI."*

Louie

*"My aim is to channel my new-found knowledge and skills learnt at Mabanaft into my dissertation, this will give me the opportunity to write about something I have been actively involved in and hold a genuine interest in."*

Ivor

### What Mabanaft says

As our latest cohort departs, Mabanaft extends its very best wishes for their future endeavours and completion of their studies. We hope to see them again!

At Fuel Oil News, we enjoy seeing the industry through the eyes of the next generation. If your company has a programme that helps bring future talent into industry roles, please share their stories and your approach to this challenge: [margaret@fueloilnews.co.uk](mailto:margaret@fueloilnews.co.uk)

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# PORTLAND MARKET REPORT

JULY  
IN VIEW

## PRICES AND PREDICTIONS: HOW ARE WE FARING?

A little bit later than usual (because of the recent election frenzy), this month's report will look at how the oil markets have fared since the beginning of the year, and whether the oil price predictions we made in January are on course to be correct.

Let's start with crude and the Brent price, which started the year at \$76 per barrel and finished the half-year (Jun 30th) at \$86. A 13% rise is clearly a decent increase, although, in the context of the last few years, it would not be categorised as anything spectacular. Overall, the broad direction of travel has been steadily upwards, with the Q1 average (Jan – Mar) at \$82 and Q2 (Apr – Jun) being \$85 per barrel. At the beginning of April however, there was a steep drop in prices, as Brent quickly retreated from the highs of the year so far (5th Apr = \$91), to only \$78 exactly 2 months later (5th June).

**“THERE IS NO LET-UP IN THE FLOOD OF PRODUCT COMING ON-STREAM.”**

Readers of this report will remember that our start of year prediction was for prices to largely trend sideways in 2024, and stick in the \$70 - \$80 per barrel bracket. Evidently, price movements from Jan - Jun have not been exactly in line with this forecast, but at the same time, the sharp correction downwards in April / May would suggest that a “price ceiling” had been hit. This is because oil markets were broadly balanced, and with supply and demand in check, prices eased off.

Global supply remains extremely buoyant and there is no let-up in the flood of product coming on-stream, with 1.4m barrels per day (bpd) being added to the market in the first half of this year. The supposedly “anti-oil” President Joe Biden, has overseen an increase in US production of 800K bpd this year and that was on top of a 1m bpd increase in 2023. This situation continues to put OPEC producers on the back foot and a further production cut

of 2m bpd has been mooted by Saudi Arabia in an attempt to keep prices high. Predictably this suggestion has not gone down well with the smaller nations of OPEC, who see the likes of the USA and Guyana simply stealing their market share. Bearing in mind that the Saudi's proposal would only be a voluntary measure, it seems unlikely that it will see the light of day.

In addition to the current healthy global supply position, some of the bullish (i.e., upward) geopolitical price factors that we discussed in January have not come to pass. The Russian-Ukraine war seems to be set in stalemate, whilst the Palestinian conflict has not extended beyond Israeli-Palestinian borders. At the same time, the attacks on shipping in the Red Sea have decreased and many shippers are now re-routing their tankers around the Cape of Good Hope anyway, so that any extra freight charges have long been factored into the overall cost of crude.

If we now look at refining, we can see that the production “crack” at the beginning of the year was around \$35 per barrel, but this has now fallen below \$20. The crack (or “refining spread”) is how much gross profit a refinery makes, and is based on the sale price of its refined products (e.g., petrol, diesel, jet fuel) minus the buying price of its crude feedstock. The first point to note is that a \$35 refining crack is a handsome margin indeed and, by historical standards, the reduced crack of circa \$20 isn't bad either. Nonetheless, the relevance of the reduced crack spread is the impact it has had in lowering consumer prices, because do remember that end-users buy refined products, rather than crude oil itself. So, in January, refineries were buying their crude at \$76 per barrel and then enjoying a gross margin of \$35, which meant that the price of petrol, diesel etc. was circa \$111 per barrel. However, fast forward to the end of June and the refinery gross margin is now only \$18 per barrel, which means that even though the price of crude had risen to \$86, that still only gave a price for petrol and diesel of \$104 per barrel.

The reason behind the drop in refinery margins has been well explored in previous Portland reports and, basically, is the result of increased refining capacity around the

world. For the last 5 years, Indian refineries have massively increased their production capabilities, whilst more recently, the huge Dangote refinery in Nigeria is already having a serious impact on European fuel markets. A total of 18 new refineries / refinery expansions are scheduled globally for 2024, and in this light, it seems highly likely that refinery margins will continue to fall, and the crack may well end the year at around \$10 per barrel.

**“IT SEEMS HIGHLY LIKELY THAT REFINERY MARGINS WILL CONTINUE TO FALL.”**

This ongoing drop in end-user prices is exactly what policy makers around the world have been hoping for, because of its role in taming inflation. That, in turn, has been one of the factors behind the softening of interest rates to the point where we now have the million-dollar questions of when reduced rates will free-up spending, lift the economy and stimulate demand? This certainly hasn't happened yet and nor have the lower prices for refined products generated an uptick in demand. In fact, world oil demand is currently decelerating, with the Chinese economy flatlining, and consumption stagnant. At the same time, it seems unrealistic to think that reduced interest rates will start to enable growth before the back-end of this year or even Q1 2025.

On that basis, and considering the continued ample availability of crude supplies, we stick with our original prediction that prices will trend sideways for the rest of the year.

For more pricing information, see page 30

Portland

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

## The UK energy sector: what is the direction of travel?

ON THE 4TH OF JULY, THE PEOPLE OF THE UK WENT TO THE POLLS AND MADE THEIR CHOICE FOR THE NEXT 5 YEARS OF GOVERNMENT, WITH LABOUR ACHIEVING A SIZEABLE MAJORITY IN WHAT FELT LIKE A LANDMARK ELECTION.

We summarise the key energy pledges in the Government's manifesto at the base of this article in which Anders Lorenzen, writing for Fuel Oil News, considers what the change of government might mean for the energy sector.

Both the major parties have previously underlined their commitment to tackling climate change and decarbonising the economy, with the former Prime Minister and Conservative party leader, Rishi Sunak, adopting a position of delivering a pragmatic net zero, while the new Prime Minister, Labour leader, Keir Starmer, has promised to "make the UK a clean energy superpower by 2030".

### Oil, gas and a little bit of coal

One of the key elements in the energy transition is how fast we should move from fossil fuels to clean energy, and how that transition is best achieved while protecting the economy. Deciding how to manage the UK's biggest fossil fuel resource, North Sea oil and gas, has become a defining issue in this and is one where the Conservatives and Labour differ significantly.

### Labour

Labour's position is that they will not approve any new North Sea oil and gas licenses, arguing that it would not contribute to bringing down bills – an argument in line with analysis from Carbon Brief.

However, the party has underlined that the current operational North Sea oil and gas fields will continue to be in operation for decades to come, and the party will not revoke them. They have issued assurances that they will be managed to the end of their lifespan in a way that does not jeopardise jobs. Additionally, they have alluded to training programmes for existing offshore oil and gas workers, explaining the role those workers will have in leading the world in the industries of the future.

The party also plans to get tough on oil and gas companies by closing the loopholes in the windfall tax, extending the sunset clause

in the Energy Profits Levy until the end of the new parliament, increasing the rate of the levy by three percentage points, removing 'unjustifiably generous' investment allowances and retaining the Energy Security Investment Mechanism.

This is a significant change from the Conservative commitment to keeping the oil and gas windfall tax they introduced as well as the allowances that incentivise investment in North Sea oil and gas.

### The Conservatives

The Conservatives claim it would be risky to shut down production, citing energy security issues and arguing that allowing new North Sea oil and gas licenses is key to becoming more energy independent, bringing down bills and reducing energy imports.

However, there is no documented analysis that indicates that new oil and gas licenses would reduce energy imports and cut energy bills, nor that the production would be used for domestic consumption rather than exported.

For context, it is worth adding that, outside the UK, the biggest North Sea oil and gas players are Denmark and Norway. A while ago Denmark, like Labour, said no to new licenses. But Norway, the historically and present largest North Sea oil and gas producer with far larger reserves than Denmark and the UK, do allow new permits to be approved.

On a side note, the Whitehaven coal mine, which was approved by the Labour–Liberal Democrat-led Cumbria County Council in 2019, has become a symbolic issue on the subject of emissions. The mine will produce coking coal which is primarily used for steel production. The previous government refused to interfere in the council's decision, and it will be interesting to see what action, if any, the new Labour government takes.

### Industrial large-scale energy production and decarbonisation

#### Labour

Establishing the UK as an energy superpower

was a key element of the Labour Party manifesto. The party, under former party leader and newly appointed Secretary of State for Energy Security and Net Zero, climate action advocate Ed Miliband, set out plans to double onshore wind, triple solar power, and quadruple offshore wind by 2030.

As well as investing in CCS, hydrogen and marine energy, they also plan to establish the Energy Independence Act, which will be the framework for their energy and climate policies.

Nuclear energy plays a big part in its strategy and the party argues that they will manage projects the Conservatives have struggled with far better, namechecking the completion of Hinkley Point C and progress with new nuclear power plants such as Sizewell C. They also embrace the use of new technologies such as Small Modular Reactors (SMRs), declaring that such projects, alongside a commitment to maintain a strategic gas reserve, will ensure energy security.

### The Conservatives

Historically, to demonstrate their support for net zero, climate action and clean energy, the Conservatives have always favoured big industrial projects rather than small, local ones.

With a few exceptions, it could be argued that there are few large-scale energy technologies they are not in support of. The party believes it would be reckless to give up on UK oil and gas resources, proudly supports the expansion of both offshore wind power and nuclear energy and argues that it was under their leadership that the UK became the world leader in offshore wind power capacity. Relative to its population, the UK remains the European country with the largest installed capacity of offshore wind.

Nuclear energy has not come without controversy and criticism, with the biggest nuclear project to date in the UK, Hinkley Point C, dominated by delays and costs running well above budget.

Solar PV, on the other hand, does not seem to have complete backing. The Conservatives have cooled significantly on support for large-scale solar farms on farmland but continue to support both small- and large-scale solar on rooftops and brownfield sites.

While the party still has a moratorium on fracking, it supports an expansion of gas usage and the build-out of more gas fired power stations as well as the development

## The Government's manifesto in focus

As the dust settles, all eyes are now firmly on the new Labour Government to see just how it plans to deliver on its promise of 'making Britain a clean energy superpower by 2030'.

There are some bold actions included, which could potentially be transformative for the energy industry – plans to create 650,000 new jobs, to invest £8.3bn in a new publicly-owned energy company, £6.6bn to upgrade homes and to offer grants and low interest loans for domestic renewables – for example.

But the devil will be in the detail, and it now falls to new Secretary of State for Energy Security and Net Zero, Ed Miliband, to make good on them with everyone waiting to see how the new policies will impact them.

### The key energy pledges

#### Clean power by 2030

- Double onshore wind, triple solar power and quadruple offshore wind by 2030
- Invest in carbon capture and storage, hydrogen and marine energy
- Extend the lifetime of existing nuclear plants
- Maintain a strategic reserve of traditional energy – existing licences will not be revoked, but new ones won't be issued

#### Great British Energy

- Create a new publicly-owned company
- Invest £8.3bn to create jobs and build supply chains

#### Energy system reform

- Work with industry to upgrade national transmission infrastructure
- A tougher system of regulation that puts customers first

#### Warm Homes Plan

- Invest an extra £6.6bn over the next parliament to upgrade five million homes
- Offer grants and low interest loans to support investment in insulation and domestic renewables
- Generate private sector finance to accelerate home upgrades
- Private rented homes to meet minimum energy efficiency standards by 2030

#### High-quality jobs

- Invest through the National Wealth Fund to create 650,000 new jobs by 2030
- Reward clean energy developers with a British Jobs Bonus

#### Accelerating to net zero

- Support introduction of a carbon border adjustment mechanism
- Mandate UK-regulated financial institutions to implement credible transition plans that align with the Paris agreement.

of hydrogen production (blue and green). They claim on their net-zero record to have almost entirely eliminated the use of coal for electricity production. But remarkably, while they eased some restrictions, they did not fully support onshore wind, failing to clear several red-tape obstructions. This is despite the fact that energy analysts, such as Bloomberg New Energy Finance (BNEF), found onshore wind to be not just not the cheapest new clean energy source for the UK, but the cheapest of all energy sources.

The Conservatives pledged to treble offshore wind power – though they gave no timeline to deliver this. The construction of the first two carbon capture and storage (CCS) clusters spanning across North Wales, North West England, Teesside and the Humber, initiated during their tenure, is already well underway. They also pledged to invest £1.1 billion into the Green Industries Growth Accelerator.

Finally, a key part of the Conservatives' decarbonisation strategy was the establishment of the industrial and innovative clean energy and carbon reduction and research hub, the Humber in Yorkshire. It is already a key area for innovation, learning centres and hubs across CCS, offshore wind, hydrogen, electric vehicles (EVs) and many other innovating technologies.

### Conclusion

In the run up to the election, the then Energy

Secretary, Claire Coutinho, delivered a robust defence of the outgoing government's net zero and broader climate and energy policies.

She argued that, while in office, they halved CO2 emissions while growing the economy, and built more offshore wind than any country in the world, except China. She highlighted that half of the UK's electricity is now produced with clean energy – stating it was only 7% when they took office in 2009 – that they set out the largest nuclear energy expansion for 70 years, and were at the forefront of investing in, and supporting, new technology such as CCS and SMRs.

Stats don't lie, and the previous government won praise for big visionary thinking on infrastructure projects, while criticisms were directed towards the party for not doing enough to transition away from fossil fuels.

The business community have frequently expressed frustration with a lack of consistency relating to energy policies, arguing that all they need is to know the direction of travel so they can make business decisions based on that.

The new Labour government has presented a strong case for establishing the UK as a clean energy superpower, but advocates for this argue that a lot is needed, on a policy level, to make this a reality. Given some of the significant wins under the previous government, Labour would be wise to keep what the Conservatives have delivered, embracing the policies that have proved

effective, and should not be afraid to work with the Conservatives who were the 'brains' behind successful decarbonisation policies.

As it has been over 15 years since Labour has been in power, comparisons are difficult, since energy markets have completely changed, with clean energy sources now able to compete with traditional energy sources.

The most frustrating element of party manifestos in the lead up to a general election campaign is that they only give a snapshot of what they would like to do, with few policy details. As a result, we will only see the clear picture emerge in the coming weeks as the new government takes shape and the dust settles.



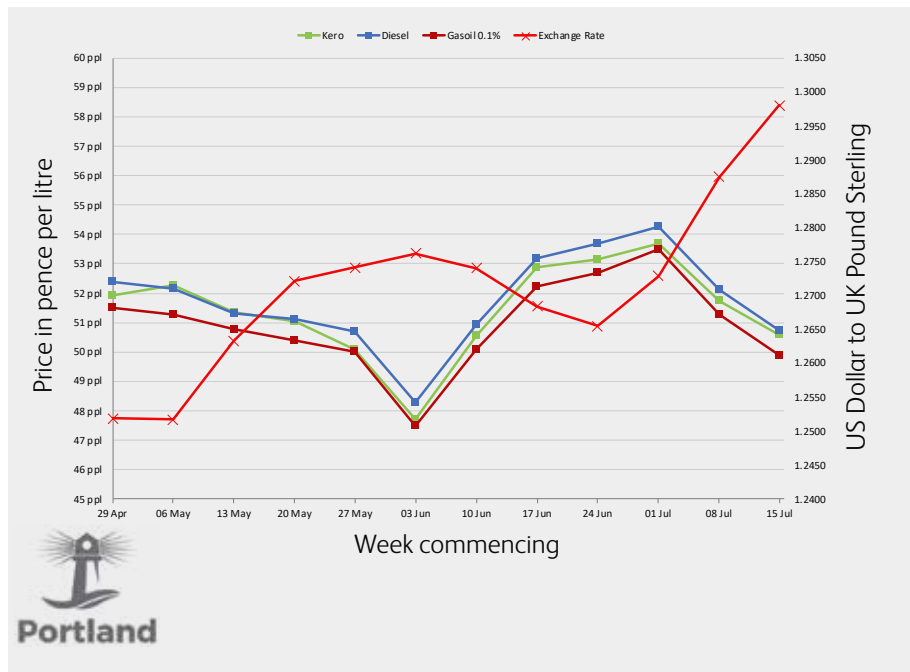
Danish-born Anders Lorenzen is a freelance writer and the founder of Greener Life, a greener world. He is a guest contributor to FON, looking broadly at

global and UK trends that signal the UK's energy transition pathway. Anders has a strong passion for action on climate change and the green energy transition and has contributed to various outlets on the topics of lifestyle, politics, climate change, energy and broad environmental as well as sustainability issues. He is a keen runner and lives in London with his partner and daughter.

## Wholesale Price Movements: 19th June 2024 – 18th July 2024

	Kerosene	Diesel	Gasoil 0.1%
Average price	52.50	52.90	52.04
Average daily change	0.41	0.44	0.46
Current duty	0.00	52.95	10.18
Total	52.50	105.85	62.22

All prices in pence per litre

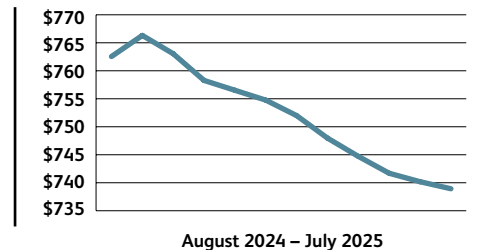


Highest price <b>54.33</b> Tue 02 Jul 24	Biggest up day <b>+0.77</b> Tue 02 Jul 24
<b>Kerosene</b>	
Lowest price <b>50.38</b> Wed 17 Jul 24	Biggest down day <b>-1.30</b> Mon 08 Jul 24

Highest price <b>55.04</b> Tue 02 Jul 24	Biggest up day <b>+0.78</b> Thu 27 Jun 24
<b>Diesel</b>	
Lowest price <b>50.44</b> Wed 17 Jul 24	Biggest down day <b>-1.37</b> Wed 03 Jul 24

Highest price <b>54.28</b> Tue 02 Jul 24	Biggest up day <b>+0.80</b> Tue 02 Jul 24
<b>Gasoil 0.1%</b>	
Lowest price <b>49.62</b> Wed 17 Jul 24	Biggest down day <b>-1.41</b> Mon 08 Jul 24

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	55.16	65.59	109.63	62.88	70.08	113.92
North East	54.11	64.22	108.71	64.87	68.41	111.87
North West	55.68	66.82	111.10	63.10	70.73	113.92
Midlands	54.18	64.75	109.17	61.45	68.87	112.60
South East	54.28	64.71	109.15	69.28	71.90	112.12
South West	54.63	64.55	108.99	64.30	68.67	111.71
N. Ireland	54.74	65.92	n/a	61.88	70.97	n/a
Republic Of Ireland	68.50	71.35	110.57	74.88	75.57	114.07
Portland	52.49	62.27	105.86			

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 AUGUST'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 **PHIL MURRAY** WHO IS THE DEPUTY MANAGING DIRECTOR AT WCF LTD AND THE NEWLY APPOINTED UKIFDA PRESIDENT!

**“ANY DECISION IS BETTER THAN NO DECISION.”**

**PHIL MURRAY**



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

Began life as a Chartered Accountant with PwC, before working in senior finance roles in sectors including retail, manufacturing, housing, education and now fuel distribution.

**Describe yourself in 3 words.**

Tenacious. Supportive. Curious.

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

When I realised I didn't possess the skills needed to play for Newcastle United, I harboured an ambition to be a rally driver like the famous Hannu Mikkola of the 1980s. Unfortunately, this wasn't to be, and I decided to pursue something even more thrilling... an accountancy qualification!

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

Scuba diving instructor in the Caribbean, spending most of my days swimming with reef sharks, green turtles and spotted eagle rays. In the evenings... cold beers on the beach watching the sunset.

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

Surround yourself with people who are better than you.

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

1. Any decision is better than no decision.
2. Don't ask of others what you wouldn't be prepared to do yourself.
3. Perfection is not attainable.

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

Restructuring of WCF Chandlers and WCF Fuels North East to strengthen the business and further increase focus on delivering continuous operational efficiencies.

**Tell us your greatest fear.**

I don't have a greatest fear. I have always loved facing and (largely) overcoming those I've had. For me there's no such thing as a bad experience, only learning and growing opportunities.

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

Without talent, you are unlikely to achieve your ambitions. Without ambition, you won't discover your true talents.

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

That it doesn't feel like work. I know this sounds corny, but I absolutely love working for WCF, with wonderful people, working across a diverse group of brilliant businesses and a culture most would kill for.

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

Brutal honesty. Sometimes the most valuable feedback is the most difficult to hear but only through brutal honesty can we truly improve ourselves, both at work and at home.

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

Tell me more.

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

You can't do that.

**Describe your perfect day.**

As perfection is not attainable (see above), I would describe a wonderful day as one spent outdoors, walking along an unspoilt beach in sunny weather, having food and drinks with friends and family, looking out to sea as the sun sets, with live music playing in the background.

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

I am a long-suffering Newcastle United fan and hope to see them win something/anything before I leave this world!

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

Artificial intelligence. Need I say more?

**Cheese or chocolate?**

If there's a glass of red wine available, cheese every time.

**Share your greatest personal achievement.**

Raising two wonderful children, Rebecca and Adam, who make me proud every day.

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

When people reply saying, "You wouldn't understand..."

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

The Cayman Islands, where my sister lives and I'm a frequent visitor.

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

This may be controversial but I would push for a law that makes euthanasia legal here in the UK. I believe we should have the right to determine the final chapter of our lives and reduce unnecessary pain and suffering for ourselves and our close family.

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

You're such a dad-dancer.

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

Road trip around northern Italy in an open-top sports car.

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

Snorkel mask. Digital music player. A bottle of Jack Daniels Fire.

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

I once had lunch with a Moroccan princess at her London embassy to discuss the merits of solar power in hotter climates.

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

Someone I wanted to get to know better.

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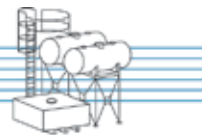
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