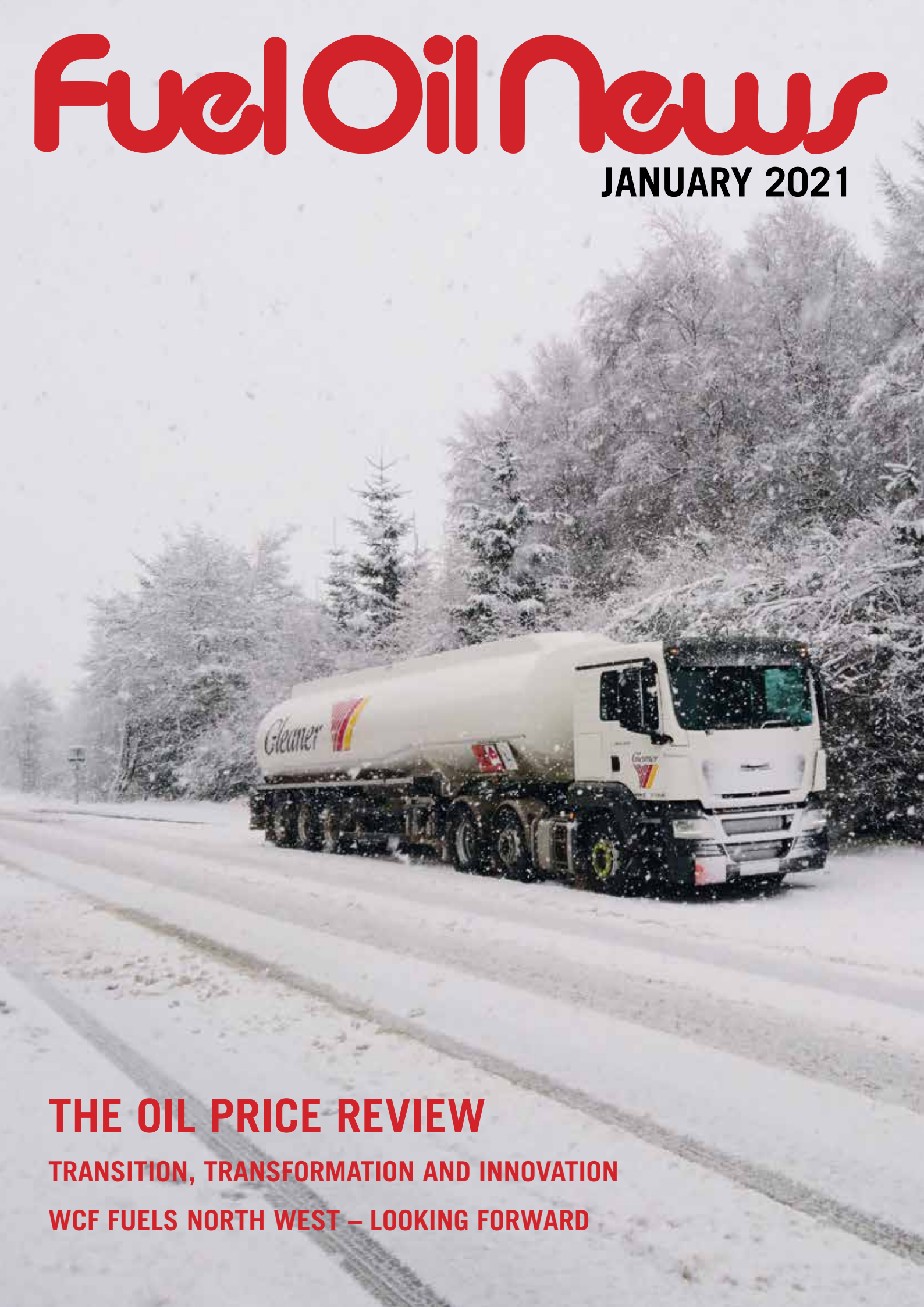
Fuel Oil News

JANUARY 2021



THE OIL PRICE REVIEW

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What will this new year bring?

At the start of last year, we had a newly elected government and the promise that Brexit would be 'done' by the end of the month. Yet, as we write for this, our first issue of 2021, the two sides have agreed to yet another deadline extension on the seemingly intractable trade negotiations in an attempt to avoid a disruptive no-deal outcome. With neither setting a fresh deadline, 2020 finished much as it started – with no greater clarity on our future relationship with Europe.

However, after months of delays, the UK Government finally unveiled its Energy White Paper mid-December. Building on the Prime Minister's Ten Point Plan for a Green Industrial Revolution, it details how an overhaul to transport, energy and infrastructure will deliver an "overwhelmingly decarbonised power in the 2030s" on the road to net zero by 2050.

Most importantly, it promises support in the transition for those reliant on fossil fuels and, whilst details are yet to be confirmed, it raises hope for the 'just-transition' that our industry has been calling for.

In national media, the buzzwords of 2020 were 'unprecedented' and 'new-normal' but, in our ever-adapting industry, the talk was rather different, with stories of 'transition' and 'diversification'. As it was for everything else, the pandemic's impact on our sector was unexpected, unpredictable and difficult but, as we enter 2021, the start of the Covid-19 vaccination programmes suggests the end is in sight. The upside of a quicker economic recovery becomes a real possibility, and a recent report sees us getting back to normal by Q3 of this year.

The turn of the year is traditionally viewed as a time to take stock and plan. This particular one may not seem an ideal time to begin making significant, future-looking commitments but, when is? Whilst we remain in a time of uncertainty, it also presents an opportunity to think about what it will take to emerge stronger and ready for the coming years.

Whatever your own plans for 2021 may be, we all, at Fuel Oil News, wish you a healthy, happy and prosperous year.

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

With the long-range weather forecasts in December suggesting a significant snowfall likely for the new year we feature a Gleaner tanker out delivering after heavy snowfall on Skye during a previous hard winter.
We look forward to catching up with the latest from Gleaner in a future issue.

In this issue

In 'In Conversation' on pages 14 & 15, we look back over last year with WCF Fuels North West and look ahead to what this year may bring.
The vital issue of decarbonisation in the HGV sector is considered in an update from CNG Fuels on developments with bio-CNG in 'Industry Focus' on page 10 and the latest on hydrogen fuel trials on page 6.

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Kettlewell Fuels expands delivery fleet

Adding to its fleet, North Yorkshire-based Kettlewell Fuels has taken delivery of two DAF four-wheel tankers as well as a 'Tank in a Van'.

The tankers both have a larger capacity, compared with the company's other four-wheelers, and are able to take 9,300 litres. They also have a much more efficient pumping system, making the whole delivery process even smoother.

Always looking to develop the business, Janet Kettlewell explains:

"The two new DAF tankers will deliver market-leading efficiency for us as a business, giving us even more flexibility within our already versatile fleet.

"We also like to ensure our drivers are looked after in terms of comfort and I'm pleased to say we've had some great feedback from them. Apparently, the new tankers are comfortable and nice to drive too."

Commenting on the other addition, Janet says:

"It's important to us that we offer an agile customer service and to help us do this we've adapted a vehicle to hold a 400-litre oil dispensing tank. Known as our 'Tank in a Van' this vehicle will enable us to make small emergency deliveries and quickly respond to customers in need.

"We're now in a very good position, going into winter, as our expanded fleet will provide us with greater delivery capacity. We've noticed recently that more customers are choosing to support local businesses; it's been a busy time. Our larger fleet will definitely help when the inevitable cold snap arrives."

New fossil-free fuel launched by Peak Oil

Peak Oil has introduced its new fossil-free fuel, PeakHVO, to its product portfolio.

Boasting over 90% net CO2 reduction, the product is described by Peak Oil as 'a clean-burning, sustainable and renewable fuel'.

The fossil fuel replacement requires no modifications to regular diesel vehicles, and can even be mixed with regular diesel, making it easier for consumers to make the switch.

As well as being an alternative fuel option for standard vehicles, PeakHVO is also sutable for use in commercial boilers, portable generators, agricultural tractors & machinery, construction equipment, industrial trucks and tankers.

Staff recognition, facility upgrades and fleet changes for FAST

A busy year at FAST culminated in two of its staff being recognised in The Manufacturer magazine's Top 100 awards. The ceremony was, unusually, held by video this year but that did not detract from the pride the company felt at seeing two key members of the team recognised for their individual contributions.

Julia Mansfield, FAST's technical manager, was recognised for her work with the fuel distribution industry in 2019 and 2020 in identifying the reasons for, and providing short- and long-term solutions to, the fuel filter blocking issues that caused such considerable heartache for distributors and their customers.

Paul Derham, FAST's general manager, was recognised for his work in appreciating the significance of COVID-19 to the workplace at a very early stage and for creating a COVID-19 secure environment ahead of time. This enabled FAST to continue its operations internally with minimal disruption and complete employee buy-in with seamless external impact.

It was also a summer of upgrade at FAST with investment made in its laboratory facilities. During the course of the company's life, the lab has progressed from a glorified kitchen to a conversion of the MD's office and, after the latest development, is now a fully-fledged, purpose-built facility, which is part of the Energy Institute's Proficiency Testing Scheme.

In another change for FAST, the company delivery vehicles have switched from long-serving Transits to Fiats. FAST has always used its own vehicles for deliveries, wherever possible and economic to do so, and the two retiring Transits both had nearly 300,000 miles on the clock. The Fiats may take a while to reach that level of service given that this year, for COVID-19 reasons, it has relied more heavily on carriers.

We look forward to catching up with all the latest developments at FAST in a future issue.

Award winners Julia Mansfield and Paul Derham

Ben appeal sees £0.5m pledged

Ben, the automotive charity, received pledges worth around £0.5m following its recent rallying cry to industry leaders.

Companies got creative with ideas such as donating Christmas party funds, 'Charity of the month' schemes and donations linked to survey responses or sales/profit to help address the £1m shortfall the charity faced due to the cancellation of its annual fundraising ball.

The charity is also launching 'Do It 4 Ben', a fun new virtual challenge event in January 2021 that everyone in the industry can get involved in.

Details can be found at www.ben.org.uk

MFG expands coverage through Lake District acquisitions

Top 50 Indies forecourt operator, Motor Fuel Group (MFG) has acquired six forecourts in the Lake District from AUK Investments Limited.

Commenting on the purchase William Bannister, chief executive officer at MFG said:

"AUK is a well-respected family business in the Lake District and the six stations that we have purchased from them give us the opportunity to extend our network coverage into Cumbria in what is, normally, a thriving tourist area.

"There are three BP-branded and three Shell-branded stations and we will, in-line with our standard business model, improve the shop offer for customers and introduce a 'food to go' option, where appropriate, to help ensure the sites become a destination for both the local community and visiting tourists."

This acquisition will bring the total number of stations operated by MFG to 911, maintaining their position as the UK's largest independent forecourt operator.

Morris Lubricants champion support for hospice

Christmas arrived a month early for Hope House children's hospices thanks to a £2,000 donation from Shropshire-based businesses Morris Lubricants and Morris Leisure.

By making the donation, both companies became Hope House Champions with the money ensuring that families continued to receive the bespoke care they need at the hospices which had lost £1.25 million in fundraising income due to the COVID-19 pandemic.

Andrew Goddard, joint executive chairman of Paterson Enterprises, parent company for the two businesses, said:

"We are delighted to become a Hope House Champion, which is a fantastic initiative, and are very proud to be doing our bit to help the incredible people who care for and support children and their families at the hospices."

Lynsey Kilvert, Hope House's fundraising team leader, thanked Morris Lubricants and Morris Leisure for their continued support and explained that the pandemic is having a significant impact on the hospices.

"We are doing everything we can to weather this storm and to be there for every family who needs us. We still hold true to our mission statement: 'No one should face the death of their child alone'.

"With pledges from businesses like Morris Lubricants and Morris Leisure, we can ensure this never happens."

100 new zero-emission buses announced for Northern Ireland

The decarbonisation of public transport in Northern Ireland has taken a significant leap forward with a new contract for 145 zero-emission and low-emission buses.

Representing an investment of around £66 million by the Department for Infrastructure, the programme will include the buses, supplied by local firm Wrightbus, and the associated infrastructure. This will form a key part of Translink's 'Net Zero Emissions Strategy' and will be fundamental in creating cleaner and greener transport to positively impact the climate emergency and air quality.

The 100 zero-emission buses comprise 80 Battery Electric Vehicles and 20 Hydrogen Fuel Cell Electric Vehicles and will be the most environmentally-friendly buses in Ireland.

Announcing the funding Infrastructure Minister Nichola Mallon said:

"Cleaner, greener, sustainable transport is key to protecting our environment and fighting the climate crisis. I have an ambitious vision for a low-carbon future where we make low-emission public transport accessible to people and communities across Northern Ireland.

"I have been clear since coming to office that we must act now to deliver the change that our communities and our citizens deserve.

Translink Group chief executive Chris Conway said:

"Translink is leading the transport transformation to net-zero emissions. We are responding to the climate emergency and

Minister for Infrastructure Nichola Mallon and Translink staff with one of the new hydrogen-powered buses

driving positive change for a healthier and more sustainable transport for future generations.

"As we progress this critical journey to net-zero emissions transport, we will work with all stakeholders collaboratively to harness a shift in attitudes and behaviours towards more sustainable transport for future generations."

Wrightbus CEO Buta Atwal said:

"Investment in hydrogen, electric and low-emission buses, and the wider energy sector, can only be good for jobs in Northern Ireland. We have the climate and the technology to drive fundamental change here and position Northern Ireland as a world-leader. This order of 145 buses is a significant step and we are proud to work alongside Translink to achieve these goals."

The first three hydrogen-powered double decker buses ordered earlier last year were due to enter passenger service before the end of the year. They will only emit water – no greenhouse gases or other pollutants – and are the first of their kind in Ireland.

Taxi for Mr Stafford – but only if it's hydrogen-fuelled

Alexander Stafford MP recently secured, and spoke in, Britain's first ever debate in Parliament on hydrogen transport. The importance placed on hydrogen in Prime Minister Boris Johnson's 10-point green plan added weight to the need for discussion and, to mark the occasion, Mr Stafford, vice-chair of the Hydrogen APPG, was driven there in a hydrogen taxi to demonstrate how it could be a key part of Britain's energy mix.

Commenting at the time, Alexander Stafford MP said:

"Hydrogen has the potential to be revolutionary for this country. I have long argued that hydrogen must play a bigger role in our energy mix if we are to achieve net zero by 2050

and I am delighted by the Prime Minister's plans for Hydrogen Towns by 2030, announced earlier this week. We must be just as ambitious when it comes to our transport networks, and that is what this debate is all about."

World-first project aims for safer, cleaner and cheaper hydrogen power for transport

A project has been launched by academics from London South Bank University (LSBU) which aims to deliver:

- Improved safety with hydrogen stored at lower pressures in smaller cylinders on buses instead of the large high-pressure cylinders that are currently used.
- More space on buses because large high-pressure cylinders are replaced by smaller cylinders.
- Reduced power consumption because the new storage system could provide the bus with cooling power for air conditioning.

LSBU has been awarded £60,000 of government funding from Innovate UK for the project and will work with industry experts in thermal management, Ricardo, on design and analysis in the first phase.

Professor Yunting Ge, LSBU professor of building services engineering, said:

"Our LSBU project aims to develop a safer and cheaper way of storing hydrogen which takes up less space than the large high-pressure hydrogen tanks that are used in buses today. This is another example of LSBU's ground-breaking research work to curb climate change, cut carbon emissions and clean our air."

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Industry responds to CCC Sixth Carbon Budget

THE SIXTH CARBON BUDGET PUBLISHED IN DECEMBER BY THE COMMITTEE ON CLIMATE CHANGE (CCC) OUTLINES THE REQUIREMENT FOR A 78% REDUCTION IN UK TERRITORIAL EMISSIONS BETWEEN 1990 AND 2035. DESPITE BRINGING FORWARD THE UK'S PREVIOUS 80% REDUCTION TARGET BY NEARLY 15 YEARS FROM 2050, THE INDUSTRY IS SEEING THIS CHALLENGE AS A POSITIVE STEP TOWARDS A NET-ZERO FUTURE.

In response to the recommendations, the UK downstream oil sector reiterates its desire to work closely with UK government to deliver the effective policy and economic frameworks that are needed to reach net zero.

Downstream oil is already playing a significant role in meeting societal targets for decarbonisation, and UKPIA launched its report, "Transition, Transformation, and Innovation: Our role in the Net-Zero Challenge", in October, which sets out an illustrative pathway for the sector in the energy transition.

Having lobbied for targets and timelines, UKIFDA also welcomes the Sixth Carbon Budget and is pleased that the CCC agrees. However, there was disappointment in the lack of inclusion of liquid biofuels in the list of possible decarbonisation solutions. The association stands by the importance of government recognising the role these can play and, whilst it was pleased to see bio-kerosene mentioned, it wanted to see it talked more about as an option for heat policy as well as transport.

UKIFDA responded:

"We absolutely agree that government support on energy efficiency measures is required – both on and off-gas grid – that encourages consumers to upgrade existing equipment, improve insulation and install smart controls to better monitor energy usage. We believe that these measures are vital in moving homes upwards through the EPC ratings and thereby reducing emissions although care needs to be taken that the disadvantaged, such as the fuel-poor, are not excluded.

"It is important that consumers have choice and we again urge the government to include liquid biofuels in policy for off-gas-grid homes. Hydrogen is an option as an alternative to gas heating, as well as heat pumps, and rural consumers should be given choice over the solutions they use to decarbonise their home heating otherwise they will unfairly face enormous expense.

"The CCC suggest hybrid heating systems as an appropriate solution for off-grid properties. We believe this is an important consideration for some homes and we are pleased to see this included, but why replace boiler equipment when a drop in, liquid biofuel will be available that has a lifecycle carbon emission factor as good as biomass (the government's preferred non-electric solution)?

"Our industry is undertaking trials of liquid biofuels across the UK (similar to the gas industry undertaking hydrogen trials) and we believe that liquid biofuels can, and should, play a part in the Committee's list of core solutions for buildings as well as transport.

"What we need now is a supportive and timely response from the UK Government to these proposed timelines from the CCC, so businesses and the public can get on with reaching it. Government should set the right legal and policy framework to enable industry to invest and innovate and say that liquid biofuels will form part of the policy solutions. Once they do that, then industry will respond to the supply challenge and consumers will have choices in beginning their personal decarbonisation transition and this is the point we want to make strongly. To succeed, government policy must encourage innovation and investment and our industry is waiting to start meeting the needs of the UK's net zero challenge – so why delay us further?

"We remain committed to the ambitions of the CCC and would welcome direct conversation with the Committee on some of the points raised and to discuss how we, and our Members, can support the energy transition."

OFTEC's response to the report was also positive and, similarly to UKIFDA, suggests how liquid fuels could play a big role, if the CCC's ambition is backed by the right policy support, as Malcolm Farrow, head of public affairs, explained:

"OFTEC welcomes the Sixth Carbon Budget report which clearly sets out the scale of the UK's challenge to reach net zero, particularly in heating. We also welcome the inclusion of bio-kerosene within the range of low-carbon heating options endorsed for off-gas grid homes in the road map.

"OFTEC believes that, if backed by the right policy support, the use of renewable liquid fuels could enable the CCC's ambition to end the installation of new fossil fuel oil boilers in rural homes by 2028 to be achieved even sooner.

"The rapid deployment of a renewable liquid fuel, namely HVO, would meet the CCC's requirements to quickly gain ground on emissions cutting. This near drop-in replacement for heating oil offers a carbon reduction of approximately 91% which is significantly greater than heat pumps can achieve until the electricity grid is more fully decarbonised later in the 2030s. Existing oil-heated households could switch to an HVO solution at a fraction of the cost of installing other low-carbon technologies. Household disruption is also minimal, making this a 'frictionless' option that overcomes two of the main barriers to heat decarbonisation that currently exist. An HVO solution also allows more resource to be channelled into the energy efficiency improvements the CCC has identified as a priority.

"The overriding challenge for government now is to develop policies that are fair, affordable and effective – a point emphasised by the CCC. For off-gas-grid homes this is a critical requirement and HVO must be included among the technologies supported to achieve this transition. OFTEC remains committed to supporting this option and industry is now just waiting for the signal from government to start delivering an HVO solution."

The downstream sector has always risen to challenges and will continue to do so to reach the net-zero goals as UKPIA's director general, Stephen Marcos Jones concludes:

"This is an exciting, yet challenging, period of evolution for the downstream oil sector – we are committed to action on climate change and, with the right policy framework, this sector will do its part to deliver net zero.

"It is only through industry and government working closely together that the task of net zero will be achieved in the UK."

PEOPLE MOVES sponsored by eleven recruitment

After more than three and a half years as sales director for the Prax Group, **Stephen Rhodes** has been appointed managing director for **Highland Fuels** in Inverness.

John Regan has been appointed as sales director, UK Downstream Sales & Marketing, for the **Prax Group**.

The **Prax Group** has also appointed **Robin Edwards**, with over 30 years' experience across finance, commodity trading and energy risk, as chief financial officer.

In addition, **Michael Bourdier** has been appointed as managing director of the **Prax Group** for Middle East & Asia.

Having held a number of senior roles in the supply chain, logistics and ports industries, **Zara Giles MICS** was appointed as interim chief commercial officer of **Stanlow Terminals** UK operations.

Renee Semiz has been appointed managing director, UK marketing, at **Philips 66 Limited** (see below).

Global Energy Group appointed **Iain Sinclair** to the newly created role of executive director of renewables and energy transition in November, with plans to launch a new operation in Edinburgh.

Former BP executive **John Carey** has joined the board of **EG Group** as a non-executive director as it revealed a surge in earnings for the third quarter of 2020.

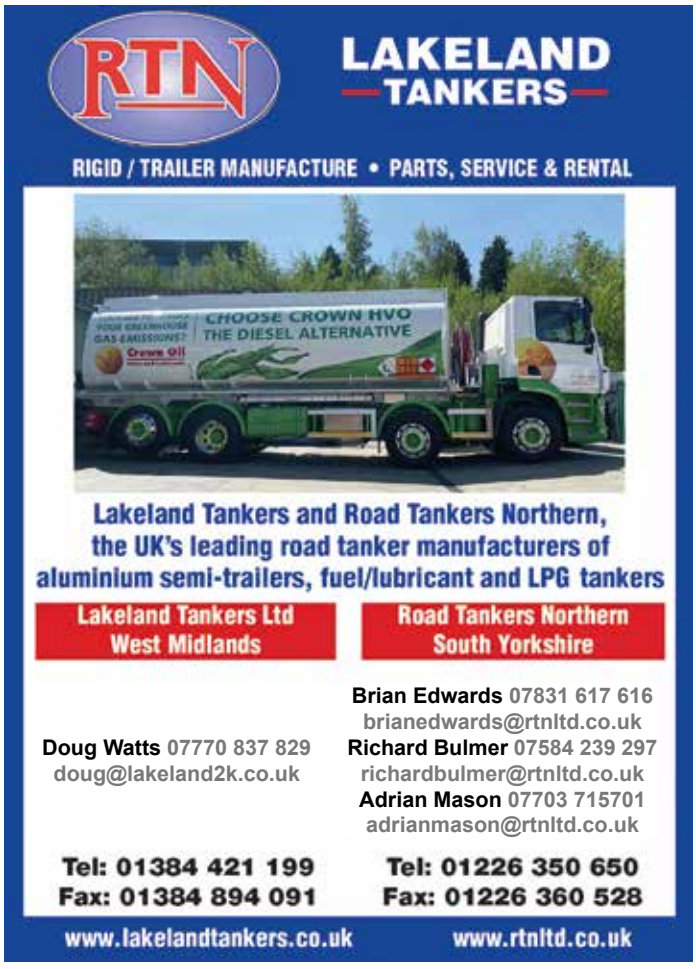
Vickers Oils has appointed **Nick Clague** as the new technical director.

Specialist PPE provider ProGarm welcomed four new recruits at the end of last year; **Maciej Stachaczyski** as an internal account manager, **Lynn Palmer** in customer services, **Jemima Pridham** as internal sales assistant and finally **Celina Suehring** as internal sales executive for the company's German operation.

MRDS Group, a leading Aberdeen drilling services firm, has announced the appointment of **Craig Yeoman** as finance director.

New managing director at Phillips 66

Renee Semiz takes up the position of managing director, UK marketing, for Phillips 66 Limited this month (January) after relocating to the UK from Phillips 66's Houston office. Renee takes over from Mary Wolf who, following a transition period, will relocate to the Houston office as general manager, global specialties.



Having joined the business in 1998, Renee has an extensive and diverse background across refining, process engineering, commercial commodities, optimisation and marketing. She has held various roles in Phillips 66, most recently as manager, brand U.S. marketing, responsible for leading the rebranding of service stations, advertising and programs for Phillips 66's large network in the United States.

Mary Wolf, current managing director UK marketing at Phillips 66 Limited, comments:

"I'd like to take this opportunity to welcome Renee to the UK marketing family. She brings a great deal of experience and enthusiasm to the team, and I'm sure she will lead the business to new heights. We have a great UK team and incredible, wonderful customers that it has been my privilege to serve. I would like to sincerely and deeply thank everyone for their business and friendship over the last five years. I will dearly miss you all."

Renee Semiz commented:

"I am looking forward to joining the UK business and building on the strong working relationships that Mary established with our customers.

"Mary and her team have done a fantastic job transforming the UK business and I'm looking forward to continuing our strategic initiatives. I wish Mary continued success as she transitions into her new role in Houston."

Decarbonising the HGV sector with carbon-neutral fuel

THE LAUNCH OF THE GOVERNMENT'S TEN POINT PLAN FOR A GREEN INDUSTRIAL REVOLUTION INCLUDED A PROPOSED CONSULTATION ON THE PHASE-OUT OF NEW DIESEL HGVS TO PUT THE UK IN THE VANGUARD OF ZERO-EMISSION FREIGHT. WITH HGVS ACCOUNTING FOR 4.5% OF TOTAL UK GREENHOUSE GASES, DECARBONISING THE SECTOR IS ESSENTIAL TO MEET THE UK'S GOAL OF NET-ZERO EMISSIONS BY 2050. WE HEAR HOW CNG FUELS IS LOOKING TO BE PART OF THE SOLUTION.

CNG Fuels has formed a partnership with Foresight Group who are providing an initial £80 million in funding to build a nationwide network of refuelling stations that will allow HGVs to run on carbon-neutral fuel. This will quadruple capacity of bio-CNG stations for HGVs. Bio-CNG is the leading commercially available solution at scale to reduce these emissions. Fuel duty on biomethane is lower than on diesel and the government has committed to maintain a clear advantage for gas-powered vehicles until 2032.

Expanding to meet growing demand

CNG Fuels opened its fifth refuelling station near Birmingham last week, and the funding will see it develop at least 14 further public access stations on major routes over the next two years, quadrupling the company's capacity and enabling it to refuel 8,000 vehicles a day. The additional stations will make carbon-neutral fuel available from Glasgow to Bristol, meeting growing demand from major brands eager to switch their high-mileage, heavily emitting HGVs away from diesel.

The company is the UK's leading supplier of bio-CNG (compressed natural gas), the lowest carbon, most cost-effective alternative to diesel for HGVs. The fuel is 35%-40% cheaper than diesel and cuts vehicle greenhouse gas emissions by up to 85%. It will gradually become fully carbon neutral from 2021 as the biomethane is increasingly sourced from manure, a heavy emitter of greenhouse gas.

Better environmental performance and lower cost

Richard Morse, chairman of JLEN, Foresight Group's listed environmental infrastructure fund, said:

"We are pleased to make this investment into biomethane refuelling infrastructure, helping to decarbonise one of the most emission-intensive parts of the transport sector. We consider that the two pillars of better environmental performance and lower cost operations for customers combine to support our investment case and we look forward to supporting the growth of a national biomethane refuelling network."

Matt Hammond, partner at Foresight Group, said:

"Foresight is delighted to be supporting and working with CNG Fuels. It is very pleasing to see attractive investment opportunities right across the sustainable infrastructure sector and that our investments have real impact in the decarbonisation of the transport sector."

Baden Gowrie-Smith, chief financial officer of CNG Fuels, said:

"We expect the number of CNG trucks on UK roads to double in 2021 as fleet operators take action to support the government's net-zero targets. This exciting partnership with Foresight demonstrates their enthusiasm for biomethane as a solution to decarbonise heavy transport at scale, and the near-term development of more stations will enable us to serve our customers even better by delivering carbon-neutral bio-CNG nationwide. We hope this will give even more brands the confidence to switch from diesel."

Looking ahead

CNG Fuels is already able to supply 2,000 vehicles a day from its five public-access refuelling stations, and a sixth station at Knowsley, near Liverpool, is due to open this month. Its newest station, close to the M6 at Erdington, east of Birmingham, can refuel up to 500 HGVs a day and will support a virtual pipeline, using gas trailers to supply the John Lewis Partnership's depot at Magna Park, near Milton Keynes.

CNG Fuels has secured a pipeline of development sites on major trucking routes to serve fleet operators throughout Great Britain. Stations due to open next year include major trucking hotspots such as Eurocentral, near Glasgow, Milton Keynes, Avonmouth and Wakefield.

100% of the fuel supplied by CNG Fuels is renewable and sustainable biomethane, approved under the Department for Transport's Renewable Transport Fuel Obligation (RTFO) scheme. It is delivered to stations via the existing gas grid where it is compressed into fuel. Low processing, transportation and electricity costs make it a low-cost, clean solution.

Bio-CNG is currently sourced from food waste but CNG Fuels is securing supplies of gas derived from manure to create a fuel that will be carbon neutral overall. It expects to introduce carbon neutral biomethane across all sites in 2021 at the same price.

Key impacts on oil price: 2020 in review

The following pages present a graph which shows the price of Brent Crude throughout 2020. With data supplied by The Oil Market Journal the markers highlight some of the key events throughout the year that impacted on the pricing. It presents an interesting look back over a year unlike any we've seen before.

After a promising start to 2020 with a high of $68.91/b on 6th January, we saw the price drop to $58.29/b on 30th January as the World Health Organisation declared coronavirus as a global emergency. What's more, the OPEC meeting conducted on 5th March resulted in Russia objecting to deep production cuts, which not only saw a further drop in price, but a crash in the stock market too.

On 25th March, the White House and Congress agreed a $2 trillion support package for the US economy, and on 9th April, OPEC and non-OPEC partners finally announced production cuts of over 10m bpd, easing the divide between supply and demand. Just a few days later, on 20th April, the price of WTI Crude fell to -$37.63, making the oil price, normally only the focus of interested parties, a mainstream topic of conversation.

Recovering slightly as lockdown eased around the world in June, and boosted again by the announcement, on 9th November, of the successful Pfizer vaccine, the price slowly increased, reaching $48.71/b on 3rd December and exceeding $50/b, for the first time in 3 months, at time of going to press.

As Ian Moore, director of markets at The Oil Market Journal commented:

"2020 was a year few of us will forget. Over the last decades there have been a number of oil price shocks which resulted in price spikes; September 11th in 2001, the US invasion of Iraq in 2003, the commodity boom of 2008. However, the shock in 2020 was different, it was a negative price shock with WTI Crude falling to -$40/b on fears of demand destruction as a result of the COVID pandemic."

Ian concludes:

"There is a strong correlation between oil prices, equity markets and economic growth and the interesting development in 2020 was the fact a US President forced OPEC and Russia to cut production. This resulted in a rebound in both oil prices and global equities and, along with a large stimulus, led to a reversal in the economic contraction seen during Q2 2020. Therefore, it could be argued that Donald Trump played a major role in saving the world economy in 2020, a fact that most, including Trump himself, may not have realised!"

The impact on oil price – key moments from January-June 2020

JANUARY

14th China agrees trade deal with the United States
20th Libyan oil supply falls by 400,000 bpd due to regional tensions
22nd Fears grow over Coronavirus with first case now reported in the United States
28th Libyan oil supply falls to 262,000 bpd from over 1 million bpd
30th WHO hold emergency session in Geneva as China reports 170 dead and 7,000 infected with Coronavirus
30th WHO declares Coronavirus a global emergency

FEBRUARY

4th Airlines suspend flights to China
7th Russia says it does not support OPEC's call for production cuts
14th WHO names the Coronavirus "COVID-19"
18th Oil storage tanks reported full in China as demand falls
19th US Federal Reserve warns that COVID-19 may impact global growth
24th Saudi and Russia fail to agree on production cuts due to falling demand
24th Italy reports 157 cases of COVID-19
25th CBOE VIX risk index jumps to 12-month high
28th Germany reports 60 cases of COVID-19

MARCH

5th OPEC MEETING FAILS and Russia objects to deep production cuts
5th Flybe collapses
12th Saudi offers crude to European refineries at $25/b
12th President Trump bans flights to and from Europe
20th Vitol warns the world could run out of oil storage in a few months
23rd UK announces lockdown
25th The White House and Congress agree a $2 trillion support package for the US economy
26th The US and Saudi discuss production cuts to bring stability to markets
30th Goldman Sachs warned oil demand will fall by 26m bpd this week
31st Saudi says it will hike production in May by 600,000 bpd to 10.6m bpd

APRIL

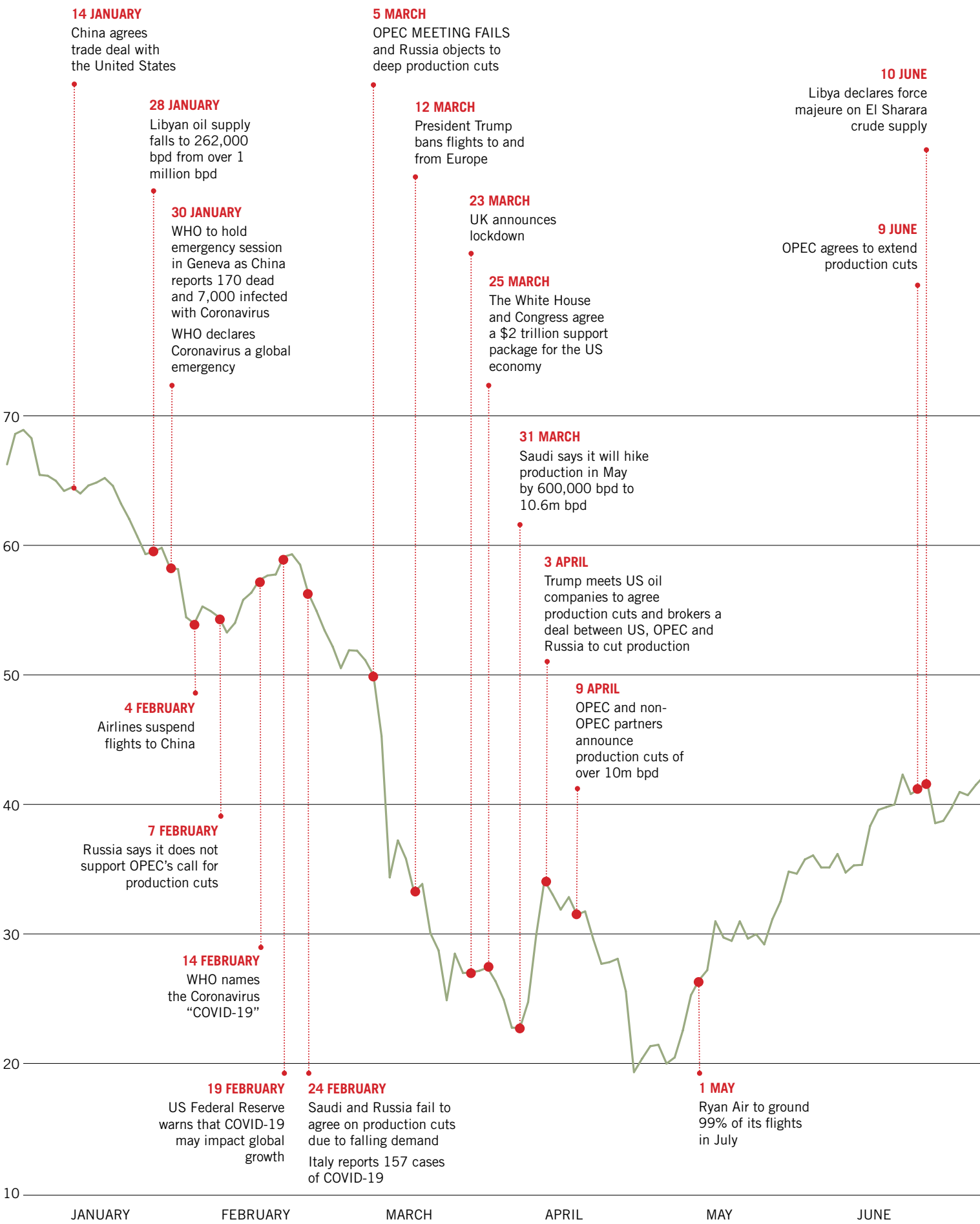
2nd Fujairah oil storage tanks at near capacity
2nd Russia says it has no plans to discuss oil oversupply with Saudi Araba but is holding talks with the US
3rd Trump meets US oil companies to agree production cuts and brokers a deal between US, OPEC and Russia to cut production
9th OPEC and non-OPEC partners announce production cuts of over 10m bpd
10th Eurozone agree on €500,000 billion support package
21st WTI Crude falls to -$40/b
22nd Oil storage on Rhine reported as full

MAY

1st Ryan Air to ground 99% of their flights in July
12th Saudi Arabia to deepen production cuts by 1m bpd in June to 7.492m bpd
15th Federal Reserve Bank of the United States says the "recovery can begin fairly soon."
21st US shale producers say they will restart shut-in production in Q3
26th Russia considers extending production cuts past June

JUNE

9th OPEC agree to extend production cuts
10th Libya declares force majeure on El Sharara crude supply
16th Markets rally sharply following FED decision to buy corporate debt
24th ARA stocks rise to record high
29th Shale pioneer company Chesapeake files for bankruptcy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31 MARCH
Saudi says it will hike production in May by 600,000 bpd to 10.6m bpd
3 APRIL
Trump meets US oil companies to agree production cuts and brokers a deal between US, OPEC and Russia to cut production
9 APRIL
OPEC and non-OPEC partners announce production cuts of over 10m bpd
1 MAY
Ryan Air to ground 99% of its flights in July
9 JUNE
OPEC agrees to extend production cuts
10 JUNE
Libya declares force majeure on El Sharara crude supply
70
60
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JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE

The impact on oil price – key moments from July-December 2020

JULY

1st Chevron restarts shale production

AUGUST

5th ARA Jet stocks reach record high
14th US oil rig count falls to a low of 172, down from 670 on 1st January 2020
24th Tropical Storm Marco hits oil region of the US Gulf Coast
27th Hurricane Laura hits oil refinery region of Louisiana

SEPTEMBER

8th Russia announces plans to increase crude production
17th Hurricane Sally halts US Gulf of Mexico production

OCTOBER

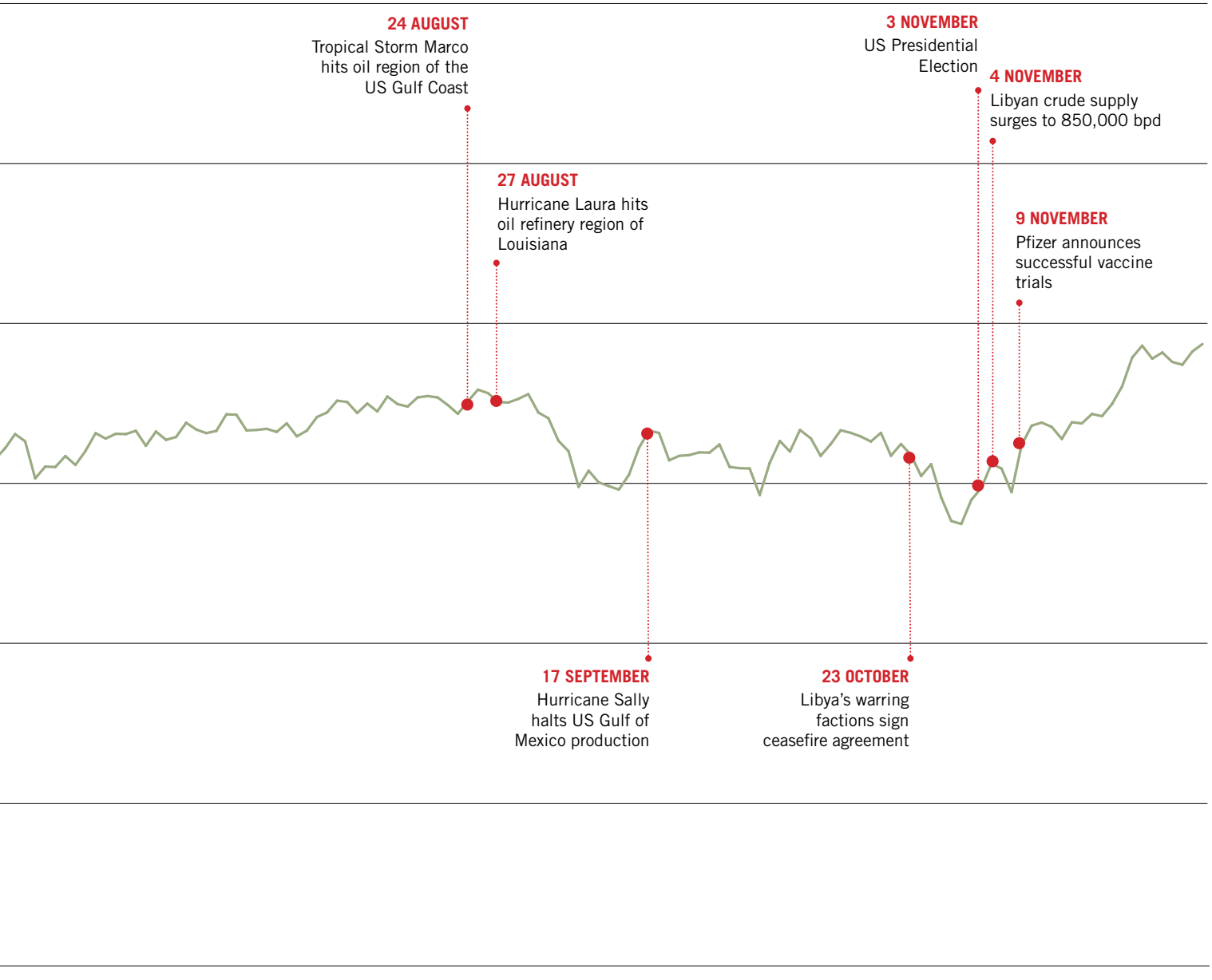
2nd President Trump tests positive for COVID-19
7th President Trump halts stimulus talks with Democrats
17th Libya restarts crude production at El Sharara oilfield.
23rd Libya's warring factions sign ceasefire agreement

NOVEMBER

3rd US Presidential Election
4th Libyan crude supply surges to 850,000 bpd
9th Pfizer announces successful vaccine trials
30th OPEC meeting ends without agreement. Meeting with non-OPEC partners postponed for two days.

DECEMBER

3rd OPEC and non-OPEC partners agree to increase production by 500,000 bpd from 1st January instead of the 2m bpd previously agreed in June.



Source: ICE, OMJ

In Conversation with WCF Fuels North West

ON BALANCE, 2020 BROUGHT MUCH TO CELEBRATE FOR WCF FUELS NORTH WEST. CONTENT EDITOR STEPHANIE SAMUEL SPOKE WITH **GEMMA HOGG**, WCF FUELS NW GENERAL MANAGER, TO LOOK BACK OVER A YEAR THAT, DESPITE ALL ITS CHALLENGES, BROUGHT MANY POSITIVE OUTCOMES, AND TO LOOK AHEAD TO A PROMISING YEAR OF GROWTH.

WCF Fuels North West is starting this year as it means to go on, with cause for celebration in the shape of turning 110 years old. When asked about whether plans to celebrate are in place, Gemma said:

"Absolutely! Previously, we have celebrated our successes with staff parties and, subject to Government restrictions of course, we will do the same this year. This has always been so important in creating a positive culture here at WCF; recognising the efforts of our colleagues and building team relationships. We will be gathering some ideas and revealing our plans very soon."

As well as looking ahead to future celebrations, Gemma also reflected on some of the key milestones reached by the company over the past century:

"We acquired our Hawkshead site in 2004 quickly followed by the acquisition of BDS Fuels just one week later. Two years after that we acquired Leighton Oils in Preston. Then, in 2011, we doubled the size of our offices in order to future-proof our business. Of course, our most important asset is our people. Without their commitment and dedication to WCF Fuels North West, we wouldn't be here today."

In addition to acquisitions and growth, Gemma highlighted how the company has adapted, along with its customers, to ensure a consistently great service:

"At the heart of what we do is delivering a great service to our valued customers and this is something which will never change. What has changed, however, is how we do that. We understand what's important to our customers and constantly strive to improve our services to address their changing needs.

"In the last 12 months we have introduced the Feefo platform to our website to capture and share customer feedback. We see all feedback, positive or negative, as a gift as it provides us with an opportunity to respond to customer suggestions for improvements."

WCF Fuels North West has diversified its services in many ways to meet the changing needs of customers. You will be able to read about this in a 'Diversification Corner' focus in our February issue.

There is no sign of WCF Fuels resting on its laurels, however, as Gemma tells us more about future plans for the company:

"We have plans to extend our geographical reach south of our existing region, either organically or through acquisition. We are actively looking to acquire family-owned fuel distributors looking for a sustainable succession plan. We think we offer a more responsible approach to investment than private equity investors or venture capitalists.

"As we have demonstrated with our more recent acquisitions, such as Allan Sobarts, we place enormous value on brand and heritage

and believe in providing a sustainable future for those who helped to build that brand. Where existing owners wish to continue working in their business post-sale, we embrace the opportunity to facilitate this.

"The great benefit of WCF is having access to a team of experts at head office (e.g., finance, human resources, estates and facilities and IT) who provide incredible support and free us up to focus on operational excellence and customer service, i.e. the things we love and do best! We believe we have a wonderful, supportive culture at WCF and have recently refreshed our company's 'Guiding Principles'. These were rolled out across the whole business through fun and interactive Zoom sessions and reinforced what we already knew – our people love working for WCF and we are fortunate to have such great teams!"

Expansions and growth

"In addition to our recent acquisitions, our Carnforth office is currently undergoing refurbishment to include a 'break out' area where staff can unwind, have lunch, catch up with colleagues and watch the latest news headlines. As well as creating more space to facilitate our growth plans, we hope this will create more jobs in the future too.

"Our staff is hugely important, and this was more apparent than ever during the challenging times of last year. We recently launched a new staff survey platform to improve employee engagement with our businesses, help identify areas for improvement and ensure we make WCF Fuels NW an even better place to work.

"But last year wasn't all about the challenges, there were also several celebrations. We celebrated some remarkable work anniversaries, such as Ian Billington's 20 years and Janet Black's 35 years! It is a true testament to their loyalty and dedication to our company. We are also very pleased to say that over 46% of employees at WCF now have a service length of over 5 years."

Support for customers

As well as increased support for employees, WCF Fuels businesses have re-vamped their websites with a fresh new look to improve user-friendliness and interactivity. Implementing the Feefo feedback portal has also helped the company to keep a close eye on whether it's meeting customer needs:

"The implementation of the Feefo feedback portal, rolled out in 2019, has proved to be a huge success, lifting the spirits of employees as a notable reminder of why we do what we do."

Looking ahead

With a new year upon us, and the Government's self-imposed deadline for the UK to reach net zero creeping ever closer, WCF Fuels North West looks to the future and considers the role of liquid fuels in the solution.

"While we support the aims of the Paris Agreement and want the UK to achieve its ambition of becoming net zero by 2050, the current consultation to ban the sales of petrol/diesel and hybrid vehicles after 2030 is challenging. We believe that the government should be technology neutral in their legislation rather than promote one technology above others.

"To reduce CO2 emissions in the long term, a sensible move would be to design the regulatory framework such that technologies such as synthetic fuel, biofuel blends and hydrogen for internal combustion engine vehicles are promoted on an equal footing with battery electric vehicles. Many politicians perceive battery electric vehicles as free from CO2 emissions, however that's not true.

"Options such as switching from renewable to synthetic, biofuel blends and hydrogen have so far been dealt with as sub-optimal solutions. What has been forgotten is the advancement of the new euro engine design both in petrol and diesel power (including electronic management), which has already shown a significant reduction in emissions over several years. We believe that the development of new and improved fuels in addition to ongoing advances in engine design for internal combustion engines will result in similar emission results to battery electric vehicles by the mid-2030s, when considering all the facts."

When asked how the company sees the longer-term future for the supply of diesel, kerosene and gasoil markets, Gemma replied:

"Whilst we accept that over the long-term volumes will decline, we believe that the market for the supply of these products will be here for some time to come – at least 25 years. Currently, viable, cost-effective alternatives for larger vehicles and heavy plant and machinery simply aren't available, not to mention the infrastructure needed to support a transition to new technologies.

"Furthermore, following the huge financial impact of the pandemic on the government, businesses and the general public, it's unlikely that the significant sums required to fund these changes by 2030 will be forthcoming. Governments often set ambitious targets for change however the practical reality of delivering change on such a scale invariably takes much longer than anticipated. By working with our trade organisation UKIFDA, we remain committed to exploring and promoting the potential of biofuels as a viable solution to government's aim to become net zero carbon."

Gemma continues to speak of concerns over electrification proposals and shares confidence that liquid biofuels will continue to play a part:

"It is concerning that the government appears to be focussed on a path towards electrification for domestic heating with ground source heat pumps seen as the panacea. This solution will add additional pressure to our National Grid which is already seeing pressure from the increase in sales in hybrid electric vehicles (which have increased by 545% from 2019!). Therefore, there appears to be a real risk that not enough power would be available from renewable or other sources to meet demand, especially in the winter period when heat pumps would be working hard to supply heat to buildings. As such, we remain confident that liquid biofuels will have a big part to play in the future of off-grid heating."

Considering the future for the industry, WCF Fuels North West reminds us to remain positive and confident that our sector will still have a large role to play, and as ever, to remain resilient in the face of challenges. Gemma concludes:

"The road to net zero will continue to be the main challenge to our industry as we see a continued decline in the use of fossil fuels. Our industry can play a significant role in achieving this target once we are able to secure a reliable supply of liquid biofuels in which our customers have confidence. We are encouraged by the number of alternative solutions coming to market and feel confident that our industry remains vital in keeping our country moving and our customers warm in their homes."

A strong start to 2021 for Nicholl Fuel Oils

NICHOLL FUEL OILS FEATURED IN FUEL OIL NEWS LAST YEAR AS IT OPENED ITS THEN MOST RECENT NICHOLL AUTO 365 FILLING STATION IN GREYSTEEL ON THE OUTSKIRTS OF DERRY/L'DERRY. LESS THAN SIX MONTHS AFTER, THE COMPANY FINISHED 2020 IN STYLE BY GETTING ONE MORE LOCATION ACROSS THE LINE AND, WITH MANY NEW FACES JOINING THIS EXPANDING BUSINESS, WE TOOK THE OPPORTUNITY TO CATCH UP ON THE LATEST DEVELOPMENTS.

The newest site, situated in Coleraine, Co. L'Derry, is in the heart of the popular tourist region of the North Coast. With many nearby attractions along with the beautiful seaside towns of Portrush and Portstewart, Coleraine made geographical sense as the next location in Nicholls plan to expand the automated retail petrol station side of the business. Back in July, a project manager for Nicholl Fuel Oils commented that Nicholls had "a number of sites in the planning stages and was eager to get construction work underway" and the close of 2020 saw another one completed.

Marketing manager for the Nicholl Group, Connie Burns, welcomes the opening of the new site:

"It was fantastic to see the year out by getting another automated site over the line. Everyone involved in the project worked so hard through what was a difficult year for all industries. We are very proud that we are able to support essential workers through these difficult times by offering 24-hour fuel 365 days a year and being recognised as an essential service has permitted us to keep focused on our growth plan."

New roles and new faces

Not only has Nicholl Fuel Oils added a number of new locations to its growing map of Auto 365 forecourts and home heating oil depots, it has also continued to recruit staff for roles across the company such as drivers, telesales staff and credit controllers, along with a new depot manager in Omagh, Mervyn Byers. Mervyn has been with the company for over 10 years as a delivery driver and now welcomes a new challenge as he moves out of his lorry and into an office.

Nicholl Fuel Oils also welcomed Margaret Gallagher into the team at the end of October last year who takes up the role of retail petrol and wholesale manager, overseeing the Nicholl Auto 365 forecourts, the Star branded retail sites and all of the upcoming locations planned for opening in 2021.

Margaret has been with Nicholls for just over a month, taking to the role like a duck to water, and was responsible for the new Coleraine location being opened to the public in record timing. Margaret puts this down to the reliable suppliers that she worked with:

"Being a 'newbie' to the Nicholl brand I wasn't sure what to expect when the project started but I quickly found my footing and that is thanks to the brilliant suppliers and contractors Nicholl Fuel Oils use on a regular basis. I have always found the race towards opening day to be exciting, the long hours and overcoming any last minute hiccups are all par for the course when completing such a large project and now that we have

successfully opened the Coleraine forecourt to our customers, we now look ahead to not only working on our next location under the Nicholl Auto 365 brand but providing support to our Star branded retailers. All in all, I expect 2021 is going to be a very busy year."

Recruiting for the new staff members for the depots saw the creation of an entirely new division in the shape of a facilities management team, as Christine Doherty from the Nicholl Fuel Oils HR department explains:

"With the ongoing COVID-19 pandemic, safety for our staff and customers has been paramount. As an essential service, it is important that we continue to supply our customers with their fuel and so it is our job to ensure that our staff are safe and comfortable within their work environments. We were very fortunate that we were in a position to recruit for a new department made up by Brendan, Alastair and Iwana, who have been instrumental in looking after the maintenance and hygiene of the automated forecourts and the home heating oil depots."

A growing fleet

Nicholls has not only invested in more "man and woman power" for the new division, but the company has also equipped the team with three new branded vehicles for travel between locations.

The Nicholl transport department has also had some new additions to its fleet. Followers of Nicholls on social media platforms, may have already seen the new artic lorries, used to transport fuel around the province, being proudly displayed.

As 2021 begins, the team at Nicholls is looking forward to a fresh start but, with a look back over 2020, Gary Nicholl, managing director, commended the staff for their hard work in a busy year:

"We understand that it has been a difficult year for a lot of our team and we hope that 2021 is a very different year to what we have just come through, but we have to commend every member of staff across all of our offices, depots and filling stations in Northern Ireland. Everyone worked so hard over the past number of months along with having such positive attitude towards the COVID-19 pandemic which has been very much appreciated by all. The commitment shown by our team has been outstanding and the Nicholl Family are proud that each and every person we work alongside each day represents the Nicholl brand. Our slogan for the past few months has been "working together, keeping apart" and that's exactly what we did. With Christmas just around the corner we really hope everyone enjoys their well-deserved break with their families, as safely as possible."

It's an exciting story of continued growth and we look forward to hearing more from the busy Nicholl Oils team through the year ahead.

Mervyn Byers, Omagh Depot Manager

Margaret Gallagher - Retail & Petrol Wholesale Manager

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PORTLAND MARKET REPORT

DECEMBER IN VIEW

THE AWESOME WORLD OF BARGES

This is our final report on the primary transportation of oil. So far, we have covered rail (in September) and pipelines (October), which now leaves us to look at the awesome world of barges. Commercial barging in the UK is virtually non-existent and the mere mention of barges tends to generate a rather whimsical feel, evoking brightly painted and flower bedecked pleasure craft travelling at 4mph along quaint (and tiny) British waterways. Only the Thames (barges have been extensively used for the Crossrail project) and parts of Yorkshire (aggregates on the Aire & Calder navigation) carry any significant barge freight of note.

Not so in mainland Europe or North America, where barges are industrial river monsters - carrying as much as 5m litres of fuel (125 truck loads!) and sometimes even transporting "dumb" barges in convoy, increasing the already massive volumes several times over. The photo here highlights the scale of this type of water transport, specifically showing a 3.5m litre barge (alongside a smaller grain barge), carrying product from Antwerp to the inland Belgian city of Liege. The main reason for extensive barge activity is of course geography, as the likes of the Rhine, Rhone and Danube in Europe and the mighty Mississippi in America, are all big enough and navigable enough to ensure that water transport is a dominant force in the world of logistics.

In Europe, most of the major oil barge traffic starts its life at the vast refining "hub" that is Antwerp, Rotterdam and Amsterdam (ARA). Product is carried through the Benelux countries and deep into Germany along the Rhine, where eventually the Rhine-Danube Canal (Bavaria) connects these two great European rivers. Petroleum products originating from the port of Antwerp make up over 55% of total Belgian river traffic, whilst in Holland, almost 90% of distributed petroleum products are delivered by barge - typically from Amsterdam and Rotterdam. German fuel consumption accounts for over 30% of ARA sourced oil products and contributes to a total volume of 30m tonnes (35bn litres) per annum that is transported by barge, via Germany's 7,500km of commercial waterways.

In the States, as the soon-to-be departing US President would like to tell you, size matters ("look at my hands") and nowhere is that truer than with US barging operations. Here the rivers are of a scale and length that allow for truly epic waterborne journeys. 630m tonnes of commercial freight is moved by inland waterway in the States each year (this versus 540m tonnes in Europe) and at the heart of US water transport is the mighty Mississippi river system. This makes up the bulk of America's

40,000 km of navigable waterways and accounts for over 60% of total US river traffic. It runs all the way to the Gulf of Mexico from the Illinois Ship Canal, which itself is connected to the Great Lakes Waterway system, which in turn meets the Saint Lawrence Seaway. This basically means that a sea-going barge could (for the hell of it one assumes) do a half-lap of the North American continent, travelling north from New Orleans, up to Chicago, then Montreal and Quebec City, out into the North Atlantic by Newfoundland, down the coast past New York, around the Florida panhandle and then back to dock in New Orleans Harbour a few weeks later…

Around 100bn litres of oil products are transported each year on the Mississippi system, connecting as it does all the major US Gulf Coast refineries (New Orleans, Houston, Baton Rouge, Corpus Christi) with both the hinterland oil fields and industrial centres of the North. Crude from the oil fields travels down the river, whilst refined products travel up to northern industrial consumers. Unlike in Europe where product is moved by single units, in the USA, vessels push or pull barges that are lashed together to form a "tow" - sometimes consisting of up to 10 dumb barges. This often gives a total volume in excess of 25,000 tonnes (30m litres) in one movement!

With these examples, we once again see the innate advantage of primary transport when it comes to moving large volumes over long distances. One single Mississippi River Towbarge can carry the equivalent of 550 equivalent truck journeys or up to 10 rail journeys, at a lower cost and a fraction of the emissions generated. If the annual cargo carried on the US inland waterways had to be moved by an alternative transport mode, it would take over 6 million rail cars or 25 million trucks to carry the load. Finally, with rare "stops and starts", no variances in speed and often helped along by the natural flow of the river, barges are also incredibly fuel efficient, as well as reducing congestion, accidents and noise in urban areas. On top of all of that, they just look cool - which is why they achieve the ultimate accolade in the Nerd's Hall of Transportation Fame. And that accolade is that barges are most definitely Portland's favourite form of primary transportation!

For more pricing information, see page 22

Portland
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Analysis of the UKPIA report:

Transition, Transformation and Innovation – our role in the net zero challenge

Beyond 'the Vision':

Back in July 2019, UKPIA published its 'Future Vision' of a downstream oil sector that would 'deliver lower lifecycle emissions from its processes and products and play a major role in helping the UK realise its net zero climate ambitions'. Central to the report was identification of areas of opportunity to contribute to achievement of these ambitions.

Building on this exercise, the organisation followed up, in October 2020, with a report entitled 'Transition, Transformation and Innovation' which identifies a pathway and accompanying trends, where the downstream sector is capable and willing to play a substantive role in reducing GHG emissions from the current level of circa 164 million mt of CO2 equivalent (MtCO2e) to net zero in 2050.

A Pathway:

This looks at developments expected over the periods 2020-2035 and 2035-2050.

2020-2035:

- Efficiency improvements are projected to reduce CO2 emissions by circa 0.5% per year.
- Hydrogen as a source of energy begins to become a replacement for natural gas and refinery fuel gas.
- Refinery co-processing of advanced biofuels increases to 10% of throughput.
- Processing of lignocellulosic biomass reaches circa 150 kt/year.

Significant trends to become established during this period will be:

- Increasing adoption/uptake of electric and hybrid vehicles.
- Electrification of power, industry, heating and transport continues with increased renewable and nuclear generation.

2035-2050:

- E-fuels produced from CCUS reach circa 2.6 million mt/year.
- Hydro-treatment of advanced biofuels increases to circa 6.5 million mt/year.
- Processing lignocellulosic biomass increases to around 860 kt/year.

Accompanying significant trends will be:

- Large scale district heating networks utilising waste heat generated by industry.
- Hydrogen production ramps up to meet rising demand from transport, heating and power sectors.
- By 2050 all transport fuels are low carbon liquid fuels or net zero, with residual emissions compensated/captured by CCUS.

The outcome of all the foregoing is projected to be net zero GHG emissions in 2050; total fuel demand is forecast to fall from the current 69 mtoe to 16mtoe.

Innovation projects:

UKPIA members are already involved in two important innovation projects which support the de-carbonisation agenda:

1. The Gigastack project on the Humber involves ITM Power Trading working with Danish power company and global leader in offshore wind generation, Orsted, and Phillips 66 Humber refinery, to use wind to make hydrogen in low carbon liquid fuels.
2. The HyNet Low Carbon Hydrogen project at Essar's Stanlow refinery involves the development of hydrogen production and supply, which will be integrated in to the HyNet CCUS infrastructure.

Conclusions & Recommendations:

The report makes three principal conclusions and comes up with ten policy

recommendations seen as key to achievement of the 2050 net zero goal.

Conclusions

- Low carbon liquid fuels can play a key role in enabling decarbonisation, and are already doing so, by providing an effective and important role to decarbonise transport.
- Hydrogen is a critical component in meeting net zero. The downstream oil sector is the world's major source of the gas, so is well placed to maintain and expand its role in producing and delivering zero emitting hydrogen which, itself, will provide a significant opportunity for both industrial and transport decarbonisation.
- A systems-based approach and enabling policy framework is needed to produce low carbon and, eventually, net zero liquid fuels. Among other things, this will require carefully co-ordinated policy interventions to support both innovation and investment as well as 'bespoke' approaches in sectors which are difficult to decarbonise using current technologies e.g. aviation.

Recommendations

The following ten policy options which UKPIA wishes to work on with government are identified in the report and are as follows:

- Stimulate early demand for low carbon liquid fuels and hydrogen for transport.
- Ensure consumers are informed on the role of low carbon liquid fuels for decarbonisation.
- Revise CO2 standards and emissions labels for vehicles to show lifecycle emissions.
- Industries and UK Government to develop sector-specific plans to decarbonise sectors with limited decarbonisation options (e.g. aviation).
- Deliver a hydrogen strategy that sets out policy, regulatory and preferred business frameworks and gives clarity about how supply and demand can be grown together.
- Improve the UK business environment to position the UK as first choice for decarbonisation investment and enable companies to compete globally.
- Continue to promote industrial clusters with the downstream oil sector at their centre.
- Prepare the workforce to deliver Net-Zero in a "just transition".
- Ensure government support for UK research, development and deployment of all manufacturing and transport decarbonisation technologies aligns with company needs.
- Deliver a regulatory framework that allows for innovation.

"THE DOWNSTREAM SECTOR IS CAPABLE AND WILLING TO PLAY A SUBSTANTIVE ROLE"

Release of the report, in October 2020, was particularly well-timed, coming, as it did, a month before the Government's publication of its own policy paper, in November, entitled ' The Ten Point Plan for a Green Industrial Revolution' which aims to ' build back better (in the aftermath of the Covid-19 pandemic), support green jobs and accelerate the path to net-zero'.

Key features of this endeavour will need to be developing, and driving/ensuring the implementation of, a strategy for hydrogen as well as promotion of and support for CCUS projects.

The time for curtailing GHG emissions is short.

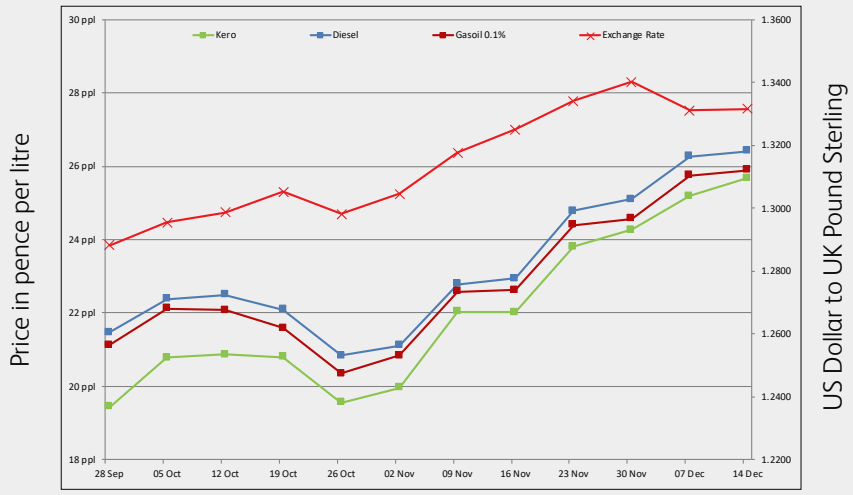
URGENCY should be the watchword!

THE PRICING PAGE

Wholesale Price Movements: 19th November 2020 – 14th December 2020

	Kerosene	Diesel	Gasoil 0.1%
Average price	24.13	25.08	24.62
Average daily change	0.30	0.32	0.33
Current duty	0.00	57.95	11.14
Total	24.13	83.03	35.76

All prices in pence per litre

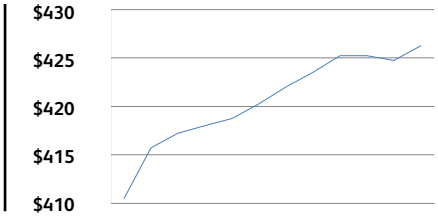


Highest price	Biggest up day
25.89 ppl	+1.27 ppl
Thu 10 Dec 20	Thu 10 Dec 20
Kerosene	
Lowest price	Biggest down day
22.13 ppl	-0.31 ppl
Thu 19 Nov 20	Mon 30 Nov 20

Highest price	Biggest up day
27.01 ppl	+1.31 ppl
Thu 10 Dec 20	Thu 10 Dec 20
Diesel	
Lowest price	Biggest down day
23.09 ppl	-0.32 ppl
Thu 19 Nov 20	Mon 14 Dec 20

Highest price	Biggest up day
26.46 ppl	+1.27 ppl
Thu 10 Dec 20	Thu 10 Dec 20
Gasoil 0.1%	
Lowest price	Biggest down day
22.73 ppl	-0.33 ppl
Thu 19 Nov 20	Mon 30 Nov 20

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	27.58	39.96	87.71	31.44	42.70	91.14
North East	26.53	38.59	86.79	31.80	41.11	89.31
North West	28.10	41.19	89.18	31.84	43.60	91.44
Midlands	26.60	39.12	87.25	30.17	41.61	89.99
South East	26.70	39.08	87.23	34.08	43.42	89.60
South West	27.05	38.92	87.07	31.84	41.40	89.24
Northern Ireland	27.16	40.29	n/a	30.70	43.38	n/a
Republic of Ireland	40.92	45.72	88.65	44.73	48.42	91.46
Portland	24.91	36.64	83.94			

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 https://portland-fuel.co.uk/pricing.

WELCOME ONCE AGAIN TO 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.

HERE, WE SPEAK WITH COMMERCIAL DIRECTOR OF AON CREDIT SOLUTIONS, **PAUL MARTIN**, AND FIND OUT MORE ABOUT THIS CHEESE-LOVING FAMILY MAN WHO FINDS IT HARD TO SAY NO.

.

Paul Martin, AON Credit Solutions

"DING DONG!"

PAUL MARTIN

Give your career history in 25 words or less
Left college, fell into insurance (not by choice), loved the company and after starting as a 'Filing Clerk' I bought it 12 years later.

Describe yourself in 3 words
Ambitious family man.

What were your childhood / early ambitions?
To be a world traveller/explorer.

Describe your dream job (if you weren't doing this?)
Lead singer in a band but I am tone deaf.

What's the best business advice you've ever received?
Employ people brighter than you (which everyone in the company will testify to).

Share your top tips for business success
Work hard, play hard, respect your colleagues, suppliers and customers and integrity at any cost. I also treat any of my customers issues as though they were my own and believe this gets them the best results.

What's your most recent business achievement of note?
My most recent is investing in a law firm called Silverback Law and watching it go from strength to strength.

Tell us your greatest fear
Running out of white pepper (I put it on everything).

Which is most important – ambition or talent?
Ambition, you can find people with the talent to realise the goal.

What's the best thing about your job?
That a lot of my customers have become good friends.

Cheese or chocolate?
Cheese.

What are you most likely to say?
'Ding dong' when my food is served.

What are you least likely to say?
No – it's a weakness of mine and I need to learn to say it more.

Describe your perfect day
I'm a big family man so it will involve my wife, my three children, two dogs, some fun, drinks & food.

Do you have a favourite sports team?
Man Utd.

What's the biggest challenge of our time?
The growing gap between the rich and poor.

Which is the quality that you most admire?
Humility.

Share your greatest personal achievement
Not sure I can claim it as a personal achievement but my children – each one of them is ambitious, has a great work ethic, is loving, loyal, funny and values family as much as I do.

What's your pet hate or biggest irritant?
This list grows as I get older – to name but a few – People walking slow in a row so I can't get past. People with suitcases on wheels. People belittling other people. There's a theme building here, and it all involves people.

If you were elected to government what would be the first law you'd press for?
A very very strict privacy law on social media and internet-based companies.

If your 20-year-old self saw you now what would they think?
Where's your hair gone & wow, your family is amazing!

What is number 1 on your bucket list?
To travel the world for 12 months with family.

What 3 things would you take to a desert island?
Fishing rod, boat, pictures of the family.

Tell us something about you that people would be very surprised by
I am half Russian and spent my first 6 years of life in Rhodesia (now Zimbabwe).

Who would you most like to ask these questions of?
Winston Churchill & Adolf Hitler (and they would also be my dinner guests).

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