

Fuel Oil News

October 2026

WATSON ONE: FROM
SUPPLY TO ASSURANCE



INDEPENDENT AT 45: MORGAN FUELS
INSIGHT: RURAL DELIVERY ECONOMICS

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A trusted community platform, we deliver essential news, expert insight and practical guidance to the UK and Ireland fuel distribution sector. We support you with the knowledge needed to thrive in the essential transition to a cleaner energy future.

The more things change...

Ours is an industry where change was once an occasional visitor. Now it appears with the same alarming frequency as fluctuations in the price of crude.

Once quarterly, 'People Moves' is now a monthly feature and our latest Annual Terminal and Storage Map – included with our compliments for subscribers to this issue – incorporates yet more significant updates. Testament to sector resilience, the more notable ones are openings, rather than the closures that typified last year's.

Customer buying patterns are also evolving. The impact of these changes on delivery economics inspired our Delivering Insight mini-series that concludes in this issue. In the final part, we consider the impact on profitability of rural deliveries, offering practical ways to improve the economics of serving remote customers.

The pace of sector change is accelerating, driven by an ever-wider range of forces. Geopolitical events, climate pressures, policy changes and customer expectations – the forces reshaping energy are neither distant nor theoretical. So, as one series ends, another begins, exploring the commercial impacts for distributors – and how best to respond.

Margins remain under pressure, demand is less predictable, and regulation evolves at pace. At the same time, customers are asking new questions about cost, carbon and alternatives.

In this issue, we begin by examining the forces shaping the market and the implications for your future business planning.

While all around may be change, resilient businesses adapt. Our aim through these pages is to provide the insight, context and practical examples needed to inform those adaptations – supporting today's operations while preparing for what comes next.



Margaret Major, Publishing Director

✉ margaret@fueloilnews.co.uk

🌐 www.fueloilnews.co.uk

📞 07786 267527



Claudia Weeks

Community Content Lead

✉ claudia@fueloilnews.co.uk

📞 07436 338241



Rhian Burge

Marketing Director

✉ rhian@fueloilnews.co.uk

📞 07485 372626



Adrian Major

Commercial Manager

✉ adrian@fueloilnews.co.uk

📞 07909 968982

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On the cover

The Watson Fuels red truck is an iconic image of everyday operation. Chief Sales Officer Shaun Galvin explains how a new initiative is moving the distributor's relationship with its customers beyond simply fuel delivery to full supply assurance. Read about Watson One on pages 14 & 15.



PEOPLE MOVES



Phil Cooke has joined **NWF Fuels** as Operations & Infrastructure Director.

Announcing the appointment, Managing Director Paul Wilkinson said: "Phil brings extensive experience in fuel distribution and operational leadership. Just as importantly, he brings a practical, people-focused approach and a clear understanding of what

it takes to deliver consistently for our colleagues and our customers.

Describing it as "an important appointment for NWF Fuels" Paul continued: "Phil will lead our operations and infrastructure agenda as we strengthen our foundations, improve the way we work and continue building a safer, more efficient and customer focused business.

"I know Phil is looking forward to meeting colleagues across NWF Fuels over the coming weeks. It is a pleasure to have him on board, and we are all looking forward to working with him."

Phil previously held the role of Head of Operations at Watson Fuels.



After nearly 12 years with Compass Fuel Oils, most recently as Sales Director, **Matt Ryan** has become Sales Director for **National Fuel Solutions Ltd** – a new venture launched in partnership with Nolan Oils.

Matt described leaving Compass as "certainly not an easy decision" and expressed his gratitude for the "opportunities,

experiences and memories" as well as the "great relationships, fantastic people and huge amount learned along the way."

"I'd like to thank everyone at Compass Fuel Oils for being part of that journey."

Looking to the new role, Matt commented: "With financial backing and support from Nolan Oils, I'm proud to be building a new, independent fuel supply and services business.

"Our aim is to bring together reliable fuel supply, exceptional customer service and a strong focus on building long-term relationships with our customers.

"Starting something from the ground up is a huge challenge, but it's one I'm genuinely excited about. There's a lot to build, plenty to learn and a huge amount of opportunity ahead."

Adam McGuinness has moved to a new position as Regional Operations Manager for **Certas Energy**

Tim Carlon has retired from his role as Business Development Manager for **FAST Exocet** with the company wishing him a "very happy and well deserved retirement".



One of the longest-standing members of the FAST Exocet sales team, the company acknowledged the part he has played in the company's journey, thanking him for his "hard work, commitment and knowledge" as well as "the relationships he has built with customers and colleagues."

The Exocet family gathered for a celebratory send off for Tim – "an important part of our team and our story."



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Government rejects duties on subsidised US HVO

The Government will not impose anti-subsidy duties on HVO biodiesel imported from the United States, despite a Trade Remedies Authority investigation concluding that subsidised imports had caused injury to UK biodiesel producers.

The decision brings to a close an investigation launched by the Trade Remedies Authority (TRA) in March 2025 following concerns from the UK biodiesel industry over the impact of US hydrotreated vegetable oil (HVO) imports.

In its final determination, the TRA concluded that HVO imported from the US had been subsidised and that those imports had caused injury to UK industry. It recommended fixed countervailing duties of between £258.10 and £266.68 per tonne, depending on the exporter.

However, Secretary of State for Business, Innovation, Science and Trade Jonathan Reynolds rejected the recommendation after the TRA's separate Economic Interest Test concluded that imposing the duties would not be in the wider UK economic interest.

The result is that no additional anti-subsidy duty will apply to US HVO imports and HMRC ceased registering affected imports from 11 September.

An investigation that changed direction

The final outcome represents a further turn in an investigation that has evolved as evidence and US support arrangements changed.

The TRA's November 2025 interim findings had already concluded that UK producers of FAME biodiesel were suffering injury as a result of subsidised US HVO imports.

As previously reported by Fuel Oil News, the Authority subsequently indicated in March that it intended to make a negative final



determination. At that point, it concluded that the US Blenders Tax Credit (BTC), which had supported HVO production during the investigation period, had effectively ended, no longer providing subsidisation to US exporters.

Further evidence was then submitted during the consultation process. The Road Transport Fuel Association (RTFA) challenged the view that US support had effectively ended, pointing in particular to the replacement Section 45Z Clean Fuel Production Credit and proposed US legislation that could reinstate the BTC.

The TRA ultimately reached an affirmative final determination, finding that the evidential requirements for action against subsidised imports had been met.

Why were duties rejected?

TRA findings do not automatically result in the recommended action.

Where the TRA recommends a trade remedy, it must also conduct an Economic Interest Test considering the effect on UK producers alongside the consequences for importers, downstream businesses, consumers, competition and the wider economy. The test is normally presumed to be met where subsidisation and injury have been established unless there is clear evidence to the contrary.

In this case, the TRA concluded that it was not.

In a statement to Parliament, Reynolds said the measure could deliver benefits to UK biodiesel producers and upstream businesses but that these would be "significantly outweighed" by the costs to downstream businesses, importers and consumers.

He said the scale by which the Economic Interest Test had not been met led him to conclude that imposing the duties would not be in the wider public interest.

RTFA questions long-term impact

The RTFA has expressed concern about the decision, arguing that the assessment gives insufficient weight to the longer-term value of retaining UK renewable fuel manufacturing capacity, investment, employment and supply-chain resilience.

It has called for Government and the TRA to consider whether the Economic Interest Test adequately reflects those risks, maintaining that UK producers are seeking fair competition rather than protection from imports.

The association argues that allowing subsidised imports to continue without a remedy could increase pressure on domestic production and skilled employment and leave the UK more reliant on overseas renewable fuel supply.

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THE LATEST UPDATES FROM OUR DISTRIBUTOR COMMUNITY

New Era Energy: Abbie Collins celebrates five years

Essex-based **New Era Energy** is celebrating Senior Procurement Officer Abbie Collins, who has reached her five-year milestone with the business.

Contribution and loyalty

Melissa Lancaster, Brand Manager, said: "To recognise this special work anniversary – Phil Williams, Chief Commercial Officer and the Procurement Team presented Abbie an award recognising her contribution and loyalty to the business.

"During her time with us, Abbie has embraced new opportunities, taken on new challenges and continued to develop her career within New Era Energy. Congratulations, Abbie. Thank you for everything

you've brought to the team over the last five years. Here's to the next chapter."

Excited for the future

Reflecting on her time with the company, Abbie said: "I'm really grateful for the opportunities I've been given and proud of how my career has developed at New Era Energy. I'm excited to see what comes next."



Certas Energy: Support secures lifeboat service

A 40-year-old independent lifeboat service in South-West Scotland has had its future secured after receiving £5,000 worth of fuel support.

Nith Inshore Rescue feared for its future after a previous free fuel agreement was withdrawn in March. The service relies entirely on volunteers and donations to fund around 35 callouts each year.

After hearing about the service's plight, **Certas Energy** pledged to provide diesel and super-unleaded through fuel cards, giving the lifeboat access to fuel at preferential rates over the next 12 months.

Lindsay Martin, Certas Energy Regional Director, says: "Supporting vital community projects is part of our remit. When we heard about the fundraiser happening for Nith Inshore Rescue, it was natural for us to assist in this way. With the charity now having access to our fuel cards, it also means they can access fuel at optimum rates across the next 12 months. The search and rescue work the service provides is vital for this community and we are proud to be able to ensure its continuity for years to come."

Stealth Competitions has also donated £2,500 of fuel.

Nith Inshore Rescue chairman, Peter Bryden, says: "We are incredibly grateful to Certas Energy. This donation has secured our future and will help save lives."



A FON Seminar – Renewable liquid fuels to 2036: Where do they fit?

Brought to you by Fuel Oil News and event sponsor ESL Fuels, this seminar will consider the role renewable liquid fuels could play in a distributor's ten-year strategy.

Taking place on 25 November 2026, from 2–5pm at BLOC, Bruntwood SciTech in Manchester, the seminar will bring together a panel of leading industry voices to examine the future market for renewable liquid fuels, including volumes, fuel types, market sectors and distributor opportunities.

A screening of the National Emergency Briefing film will follow the seminar, before the event concludes at the popular Sam's Chop House, where discussions can continue over food and drinks.

Full details, including the speaker line-up and sign-up link, will follow in our November issue as well as newsletter updates.

To register your interest or find out more, please email margaret@fueloilnews.co.uk or rhian@fueloilnews.co.uk

Could you be the next Fuel Oil News Tanker of the Year winner?

Entries are now open – and we want to hear about the fleet additions that have made a real difference to your business this year.

Every year, new tankers demonstrate just how much thought, innovation and operational experience goes into specifying the vehicles at the heart of fuel delivery. Every new vehicle has a job to do and the Fuel Oil News Tanker of the Year award celebrates the tanker that does that job particularly well.

Any tanker added to a distributor's fleet between **1 January and 31 December 2026** can be entered, with nominations welcomed from distributors, tanker manufacturers and equipment providers.

Looks aren't everything

Last year's competition attracted an unprecedented number of high-quality entries, with **Tyrone Fuels taking the 23rd Tanker of the Year** title for its new Scania G460 6x2, built by Road Tankers Armagh.

The tanker impressed not simply because of its high specification, but because every element of the build addressed a genuine operational need. As we concluded when announcing the winner, this was "not simply a larger tanker – it's a more intelligent one."

What makes a winner?

We are looking for the vehicle that best demonstrates how thoughtful specification can make a meaningful difference.

Perhaps your latest tanker has enabled access to customers that were previously difficult to serve, transformed route economics, made life easier for the driver or improved safety, accuracy or efficiency. It could simply be doing an existing job considerably better.

Whatever makes your tanker special, we want to hear the story behind it.

Enter TOTY 2026

Entries close **31 December 2026**, with the winner revealed in the February 2027 issue of Fuel Oil News.

Send us a high-resolution image along with details of the manufacturer and the vehicle specification. Please highlight anything new or innovative and, most importantly, tell us what the tanker is doing for your business.

Send your entry to claudia@fueloilnews.co.uk.

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A DAY IN THE LIFE...

Dave Weaver
Certas Energy

WELCOME TO OUR FEATURE WHERE PEOPLE FROM MANY DIFFERENT ROLES IN THIS INDUSTRY WILL TAKE YOU THROUGH A TYPICAL DAY IN THEIR WORKING LIFE. THIS MONTH, FUEL OIL NEWS SPEAKS WITH **DAVE WEAVER**, REGIONAL TRUCK STOP MANAGER, CERTAS ENERGY, TO DISCOVER HOW DAVE SPENDS A TYPICAL DAY.



My alarm goes off at...usually around 4.45am, if I'm travelling to somewhere like Ecclefechan in Scotland, or heading down to Watling Street in St Albans. Early starts are simply a part of the job!

It depends entirely on which site I'm visiting that day. With sites spread across the country, a lot of my week is spent on the road, making sure I can spend quality time with the different teams that are based at each location.

The first thing I do is...give my wife a kiss before I start the day – first thing's first!

Because I'm often away for much of the working week, it's important for me to make the most of the time I do get at home.

I prepare for the day ahead by...Most of the preparation happens before I even arrive on-site.

I tend to create a priority list for every visit, so I know exactly what needs to be discussed with managers and supervisors that day. Typically, that list includes things like staffing, pricing, productivity, people management and overall site performance.

By the time I arrive, I usually have seven or eight key discussion points that I want to work through with the team. That preparation helps to ensure every visit is productive and focused on delivering improvements.

My typical day –

No two days are exactly the same, which is one of the things I enjoy most about my role. A typical day will involve travelling between truck stop locations, meeting site teams, reviewing operational priorities and looking at opportunities for improvement.

There's always something that can be refined, whether that's customer facilities, operational processes or future developmental projects.

A big part of my role is helping sites continue to evolve and ensuring improvement plans are being delivered successfully.



How does the energy transition impact your day-to-day role?

This is something I think about regularly.

I drive an electric vehicle myself, so planning my journey around charging stops is a big part of long-distance travel. On some journeys, I'll need to recharge at least once, which gives me a practical understanding of some of the challenges and opportunities involved in the transition.



From a business perspective, we're actively looking at a range of initiatives across the network, including Hydrotreated Vegetable Oil (HVO) promotion, EV charging infrastructure and solar panel installations.

We're always exploring ways to improve

sustainability while making sure we're delivering practical solutions for both drivers and operators.

My most memorable work moment...One experience that stands out was supporting Southampton Docks during the fuel shortage several years ago. Fuel volumes increased dramatically, rising from around 50,000 to 60,000 litres per day to around 140,000 litres.

I travelled to Southampton early each morning and spent three days helping manage operations. The priority was making sure fuel remained available, pumps stayed operational, traffic continued flowing safely and the docks remained compliant and open.

It was a challenging situation, but I'm proud of the role we played in keeping a critical service running when it was needed most.

The worst part of my job...without question, is the time spent away from my family.

Because I'm regularly travelling between sites across the country, I'm often away for most of the working week. It's part of the commitment that comes with overseeing multiple locations, but it's definitely the most challenging aspect of the role.

The best part of my job...is seeing the transformation of a truck stop and hearing directly from drivers that the changes have made a difference.

Whether it's improved facilities, better services or investments in safety and security, it's incredibly rewarding when customers notice the impact. Positive feedback, five-star reviews and conversations with drivers all reinforce that the work we're doing is worthwhile.

Ultimately, the best part is knowing the investments we're making are creating tangible benefits for the people who use our sites and services every day.

Dave Weaver: Changes, challenges and opportunities

AS REGIONAL TRUCK STOP MANAGER FOR CERTAS ENERGY, DAVE WEAVER OVERSEES MULTIPLE SITES, GIVING HIM A UNIQUE PERSPECTIVE ON THE CHANGING NEEDS OF BOTH DRIVERS AND OPERATORS – AND THE PRACTICAL CHALLENGES OF THE ENERGY TRANSITION.

FOLLOWING ON FROM HIS 'A DAY IN THE LIFE', DAVE SHARES HIS THOUGHTS ON THE RAPIDLY CHANGING TRANSPORT SECTOR AND WHAT THE FUTURE COULD HOLD FOR THE UK'S TRUCK STOPS.

Opportunities and challenges

"The transport sector is currently going through one of the most significant periods of change I've witnessed in my career," began Dave.

"Conversations that once centred almost entirely around diesel are now, increasingly, focused on alternative fuels such as

Hydrotreated Vegetable Oil (HVO), electric vehicles, and how we can best prepare for success in a lower-carbon future.

"As somebody responsible for overseeing multiple truck stop locations across the country, I see both the opportunities and the challenges created by the energy transition every single day."

Balancing ambition with practicality

While the direction of travel may be clear, Dave believes the transition needs to reflect the realities of operating commercial vehicles on the UK's roads.

"There is genuine enthusiasm across the sector for reducing emissions and improving sustainability. However, it's important that

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changes are practical, and fairly reflect operator and driver realities.

“The harmonious balance between ambition and practicality is something the transport industry must continue to achieve.

“One of the most positive and encouraging developments I’ve witnessed has been the growing awareness and adoption of HVO. For many operators, it provides a straightforward route to reducing emissions without the need for costly vehicle modifications, or significant operational changes.

“From the perspective of a truck stop manager, it can also be integrated into existing fuelling infrastructure seamlessly, making it a realistic option for many businesses looking to begin their decarbonisation journey today, rather than waiting for future technologies to emerge.

“By comparison, the transition to electric and hydrogen-powered HGVs remains considerably more complex. While there is clear potential for both technologies, adoption across the sector is still relatively low. This is largely because the supporting infrastructure required is not yet at the necessary scale.

“Many fleet operators are understandably cautious about moving away from diesel until they have the absolute confidence that reliable charging or refuelling facilities exist across the country.”

Personal experience

The challenges of the transition are not something Dave observes from the sidelines. An EV driver himself, he has first-hand experience of the practical considerations involved in travelling between sites.

“In my role, I experience some of these challenges personally. I drive an electric vehicle and spend a considerable period of my working week travelling between sites, including locations such as The Hollies, Watling Street and Ecclefechan.

“Planning my route around charging facilities is simply a part of the journey, particularly when I’m travelling a longer route where recharging is an absolute necessity. That experience gives me a practical understanding of both the progress being made, and the work still needed to encourage and support wider adoption.

“For truck stops, the challenge is not simply deciding which technology will win favour. Rather, it’s about creating agile sites that can adapt as the market develops.”

Future-proofing the truck stop

That need for flexibility is already influencing investment across the Certas Energy network,



with sites evolving to accommodate changing technologies while continuing to meet the needs of today’s drivers.

“Across the Certas Energy network, we are already exploring a range of initiatives designed to support the transition, including increasing the provision of HVO, EV charging infrastructure and the installation of solar power. Investments like these are incredibly important because they help to futureproof sites, while ensuring they remain relevant, operational and instrumental in meeting drivers’ needs today.

“If I could design the ideal truck stop for the future, flexibility would remain at its core. I would strive to ensure every site was ready to accommodate electric charging at scale, with extensive overnight charging facilities capable of supporting commercial vehicles.

“I’d also encourage a greater use of renewable energy generation through the implementation of solar panels, including covered parking areas where the roof itself can contribute to powering the site. Looking even further ahead, there may be opportunities to incorporate other technologies, such as wind, as they become more commercially viable.

“However, there are still significant barriers that need to be addressed. The cost of electrification remains one of the most persistent challenges facing the transport industry today. Upgrading power supplies, installing charging infrastructure and making sites capable of supporting future demand requires substantial investment, and it all takes time.”

A rapidly evolving industry

Dave considers the route to a successful transition.

“While sustainability goals are important, they must be balanced against commercial viability if businesses are to invest with confidence, setting themselves up for success.

“Ultimately, the success of the energy transition will largely depend on understanding the needs of drivers and operators.

Throughout my career, I’ve found that the best decisions come from truly listening to customers, and building services around what they actually need, rather than what we assume they need.

“The same principle applies to the transition to lower-carbon transport. The industry is evolving rapidly, and that’s one of the things that continues to excite me about it. New technologies, changing customer expectations and ongoing investment are creating meaningful opportunities to improve both the driver experience, and the environmental performance of our sector.

“The key is making sure the transition remains practical, achievable and focused on delivering tangible, measurable benefits for the people who keep our transport network moving every day.”

For Dave, the future of the truck stop is therefore unlikely to be defined by a single fuel or technology. Instead, flexibility, investment and a clear understanding of customer needs will be central to ensuring these vital sites continue to support the road transport sector as it evolves.



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Independent by choice: Morgan Fuels at 45

FROM ITS BEGINNINGS IN NEWRY TO A FUEL-CARD OPERATION SPANNING 18 COUNTRIES, MORGAN FUELS HAS CHANGED CONSIDERABLY OVER 45 YEARS. WHAT HAS NOT CHANGED IS ITS DETERMINATION TO REMAIN INDEPENDENT. FON EDITOR MARGARET MAJOR SPEAKS WITH FATHER-AND-SON TEAM, **HUGH AND MICHAEL MORGAN**, ABOUT FAMILY OWNERSHIP, CUSTOMER LOYALTY, CHANGING HEATING-OIL BUYING PATTERNS, RENEWABLE FUELS AND WHERE THE NEXT OPPORTUNITIES LIE.

Forty-five years after establishing Morgan Fuels, CEO Hugh Morgan may have stepped away from much of the day-to-day management, but retirement it isn't.

He still drives tankers, spends time working in the yard and garage and, when FON caught up with him, was enjoying getting back to the practical side of the business.

"I started out serving my time as a diesel fitter before becoming a truck driver," he explains. "So, I'm enjoying a different end of it now rather than sitting at the desk and dealing with people all the time."

With Sales Director Michael increasingly taking responsibility for the business alongside an established management team, Hugh has the opportunity to take more of a back seat.

But there is little sign that his interest in where Morgan Fuels goes next has diminished.

The business celebrating a 45th anniversary this year, bears little resemblance in scale to

the operation Hugh began building from its early filling-station and domestic fuel roots.

The first filling station was purchased in 1981, with the help of Hugh's siblings, Mary, Stephanie, Pauline and Eamon. From this humble start, the business grew rapidly. Expanding initially into home heating oil, its activities now encompass bulk fuel, fuel cards and associated fleet services, with the company reporting that its fuel-card operation reaches 18 European countries.

An innovator from the outset, Hugh established the first unmanned bunkering sites in Ireland as Morgan Fuels helped pioneer commercial fleet bunkering and fuel card networks across Ireland and the UK. Today, the company operates an extensive network of over 7,500 refuelling sites across Ireland, the UK, and mainland Europe.

Yet one characteristic has remained resolutely unchanged: ownership. In

an industry that has seen considerable consolidation, Morgan Fuels remains family owned and funded. Eamon is still actively involved as Hugh's second-in-command, while Mary also continues to play a vital role.

Independent by choice

Hugh says approaches have been made over the years. "The business is not for sale. I keep telling everybody that it's not for sale," he says.

"We're still family-based and family-funded. We don't have any outside investors. There's no equity in the company belonging to anybody else. It's ourselves, and that's where we hope to stay."

Independence, for Hugh, is about much more than simply retaining the family name above the door. It gives the business the freedom to act.

With no outside investors to consult, he describes decisions as being made by the

management team “around this table” – something that allows the company to react quickly to changing markets and opportunities.

It is an approach that appears to have shaped Morgan’s growth. While there have been some smaller acquisitions, Hugh describes the vast majority of the business as having grown organically.

There was never, he suggests, a rigid masterplan stretching decades into the future.

Instead, each development has led to the question of what comes next.

“We never really dwell on any success,” Hugh says. “I don’t see it as success. I see it as a job done then ask where we go next.”

Growing people as well as the business

For Hugh, the description “family business” also extends beyond ownership.

Some members of the Morgan Fuels team have been with the company for more than two decades, while others joined from school or began work in the company’s filling stations before progressing through the organisation.

Hugh points to people who have moved into senior sales and management positions, including employees who have spent almost their entire working lives with the company. “I always like to take everybody with me,” he says.

That long-term approach to people has become increasingly valuable as the business itself has become more complex.

Technology has transformed almost every part of fuel distribution and fleet management since Morgan Fuels began, but Hugh is happy to surround himself with people whose expertise complements his own.

The result, he says, is a management team that understands the business, knows what is expected and can act quickly.

A European business with local roots

One of the biggest areas of evolution has been fuel cards. Hugh is particularly proud that



Hugh and Michael Morgan

Morgan Fuels has built its own network rather than operating as a white-label reseller.

“We have built our own network,” he says. “We’re not a white-label card. We don’t depend on the other card companies or the multinationals. We brand our own cards.”

Today, Morgan Fuels reports a network extending across 18 countries, with further opportunities being pursued in Europe.

There is also scope to grow the wider services surrounding the fuel-card customer, continuing a diversification that has taken Morgan Fuels well beyond its original distribution operation.

Heating oil stays close to the heart

Yet despite that expansion, ask Hugh about domestic heating oil and the conversation immediately returns to Morgan Fuels’ beginnings.

“It would still be very close to my heart

because a lot of the customers have been buying from us for 45 years, and now their families are buying from us,” he says.

“It would be a smaller end of the business now, but it’s still very close to my heart to keep it going and make sure those customers are looked after, because they are the people that helped me to put it there.”

The domestic market has changed considerably in those 45 years.

Greater price transparency and online buying platforms have made parts of the customer base increasingly price-driven. Morgan’s response has been to continue emphasising the personal relationship.

Hugh accepts that price matters, particularly while household budgets are stretched, but believes service still provides independent distributors with an opportunity to differentiate themselves. That becomes particularly important in volatile markets.

Buying less, more often

Asked about current issues, Michael suggests price volatility is a significant concern, and one that is impacting buying patterns. “The only issue is the volatility of the price,” he says.

For domestic customers, the impact is evident in the size of orders coming through. “We’re not seeing 1,000-litre fills; we’re seeing 300, 400-litre fills,” he explains. “People can’t afford to fill 1,000 litres anymore and some are waiting to see if the price comes back.”

The result is customers buying what they can afford and returning for another smaller delivery later. For distributors, that behaviour has its own economics. Sending a tanker and driver to the same customer more frequently inevitably increases the cost of delivering each litre, making smaller purchases a more expensive way to buy fuel even though they may be the only realistic option for some households.

It is a clear example of the pressures experienced by both supplier and customer.

A question of consistency

The conversation around changing customer demand inevitably turns to the longer-term question of decarbonisation.

Hugh is clear that the fuel distribution sector has a role to play in reducing emissions, but his concern is with what he sees as a lack of consistency in the way different sectors are being asked — and enabled — to decarbonise.

For domestic homes, he sees energy efficiency and improved insulation as an obvious part of the answer, reducing both consumption and household cost.

He would also like to see policymakers





provide greater scope for lower-carbon liquid fuels alongside other technologies rather than closing down options prematurely.

"We all need to play a big part in it," he says, but argues that government needs to create the conditions that allow businesses and consumers to make lower-carbon choices.

A particular frustration is the apparent contrast between policies that constrain the future use of liquid fuels in domestic heating while supporting continued growth in aviation.

Hugh points to airport expansion in both Ireland and the UK and questions the proportionality of limiting options for individual rural households while allowing aviation capacity — and therefore demand for aviation fuel — to increase.

Polymakers have frequently identified aviation as a sector where alternatives to liquid fuel are particularly difficult, creating a strong case for prioritising finite renewable feedstocks for sustainable aviation fuel. Hugh does not dispute the need to decarbonise aviation, but questions whether prioritising renewable liquid fuels for such sectors should mean overlooking their potential to decarbonise existing oil-heated homes.

For him, the issue is choice and proportionality. If renewable liquid fuels can reduce emissions from existing heating systems without requiring wholesale replacement of the technology, he believes their potential contribution should be considered alongside electrification and improvements to building efficiency.

That emphasis on keeping options open is also reflected in Morgan Fuels' own approach to lower-carbon fuels.

The company's recent RFAS accreditation provided the original reason for FON's

conversation, but the discussion makes clear that the decision reflects a broader change in customer requirements.

Morgan Fuels was already supplying HVO before gaining its recent RFAS accreditation. What has changed, Michael explains, is the number of commercial customers seeking independently assured traceability and certification.

Michael describes that pressure as increasingly coming "down the chain", with larger organisations placing requirements on contractors and suppliers that ultimately reach businesses purchasing fuel from Morgan.

"I think it's another step in the right direction to give these customers what they need," he says of the accreditation.

The requirement is being seen among both bulk and fuel-card customers. However, Michael cautions against interpreting that as evidence that fleets are switching wholesale to HVO.

For many hauliers, its price premium remains difficult to absorb, meaning use may be restricted to selected vehicles or contracts where lower-carbon fuel is specifically required.

It gives Morgan's transition activity a distinctly pragmatic character: have the product, infrastructure and assurance ready as demand develops, while recognising the commercial realities customers face.

The next 45 years

Ask where the next major opportunity lies and Europe comes quickly to the fore.

"I think Europe's a huge opportunity for us," says Michael. With the business now established in Poland, Romania is among the markets where Morgan sees further potential.

But Morgan Fuels' history suggests its future is unlikely to follow a predetermined path.

New services, new fuels and new customer requirements will emerge; some will become significant businesses and others will not. What has mattered throughout, says Hugh, is retaining the ability to react.

"You have to be sharp," he says. "You have to be on the ball and make that decision quickly."

That way of working remains very much part of the business, even as responsibility increasingly passes to the next generation. Hugh may have stepped away from much of the day-to-day management, but remains involved, while Michael and the wider management team are increasingly charged with deciding what comes next.

It feels less like the handover of a finished business than the continuation of a way of working. And, whatever the next opportunity proves to be, Hugh is clear that one principle should remain unchanged.

"You might be selling lubricants, HVO, gas — whatever you're selling, at the end of the day the customer needs the product, and you have to deliver it in the best possible way.

"Without the customer, the business doesn't exist."

Forty-five years on, Morgan Fuels may operate across 18 countries and deliver considerably more than the heating oil on which much of the business was built, but Hugh's measure of the business remains remarkably consistent: look after the customer, make decisions quickly and keep moving.

"I don't see it as success," he says. "I see it as a job done then ask where we go next."

Increasingly, that question will be Michael's to answer. The independence that allowed Hugh to build Morgan Fuels his way is also what gives the next generation the freedom to decide where it goes next.

Training for consistency

HOW HIGHLAND FUELS WORKED WITH UKIFDA TO BRING NEW AND ESTABLISHED DEPOT MANAGERS TOGETHER AROUND SHARED STANDARDS, RESPONSIBILITIES AND BEST PRACTICE.

The role of a depot manager carries responsibility across almost every aspect of a fuel distribution operation – from people and vehicles to compliance, safety and the day-to-day decisions that keep a depot running efficiently.

For Highland Fuels, recent internal appointments and management restructuring provided an opportunity to ensure that both established and newly appointed depot managers were working from the same foundations.

The business approached UKIFDA to develop a tailored training programme that would combine the essential requirements of depot management with the realities of Highland Fuels' own operations.

Creating a common approach

Working with Chris Hutcheson, Operations Director at Highland Fuels, UKIFDA Technical Manager Jon Cox developed a one-day intensive course specifically for the company's depot management team.

The programme covered four broad areas:

- Operations, including ex-pipe marine and road haulage procedures
- Health, safety and environmental responsibilities
- Regulatory compliance and risk management
- Operator Licence requirements and legal duties.

Rather than delivering these as generic modules, Highland Fuels' own internal tools, working practices and bulk storage processes were incorporated into the training that was written by UKIFDA's Jon Cox, with direct input from Chris Hutcheson, for Highland Fuels.

This bespoke approach meant the session could go beyond knowing what the rules require, to explore how those responsibilities translate into everyday decisions at depot level.

Ten depot managers attended the initial session in Inverness and, as the day developed, another benefit of the interactive format became apparent.

Bringing managers from different locations together created an opportunity to compare the way things were being done across the network, discuss common challenges and share experience.

That interaction helped identify where practices could be aligned and gave managers

the chance to test their own approach against both industry best practice and the experience of colleagues elsewhere in the business.

Chris Hutcheson says this consistency was an important part of the exercise:

"Our depot managers play a critical role in ensuring the safe, compliant and efficient operation of our business.

"Working with UKIFDA has allowed us to develop a training programme tailored specifically to the realities of fuel distribution, whilst promoting consistency, best practice and knowledge sharing across our depot network.

"The positive feedback from participants confirms the value of investing in our people and supporting their continued development."

Learning from each other

That feedback, from those taking part, suggests that the value lay as much in discussion as in formal course content.

One participant, Darrin W, highlighted the opportunity for the group to interact and start discussions around topics that could support the day-to-day running of their depots.

For David J, the session provided useful confirmation of existing practice while also identifying areas requiring greater focus. He also valued having "a third-party view of the industry" and greater awareness of forthcoming legislation.

Vicky C similarly found value in testing current working practices against the training, saying the session confirmed that her approach at depot level to truck legalities, roadworthiness and planning was on the right track.

These comments underline a wider benefit of bringing experienced operational managers together for structured training.

Development does not necessarily mean discovering that existing practice is wrong. It can also provide independent confirmation that procedures are working, highlight where greater attention may be needed and expose managers to alternative ways of dealing with familiar operational challenges.

Jon's delivery was also singled out in the feedback, with participants describing him as clear, thorough and approachable.

His ability to encourage discussion and adapt the content to Highland Fuels' own operations was particularly well received.

Developing the next generation

The Highland Fuels programme also demonstrates the flexibility of UKIFDA's training provision. Working directly with member businesses allows course content and delivery to be adapted around individual operational requirements, including company-specific procedures and working practices.

This can range from dedicated in-house training for individual businesses to wider open-enrolment courses, with UKIFDA's technical specialists bringing current regulatory, compliance and operational experience to the programme.

In this way, the association can support both larger multi-site operators and smaller independent distributors while retaining a common focus on industry standards and competence.

For Highland Fuels, the first session is intended to be the start, rather than the end, of the process. The company plans to introduce annual refresher training, while also developing a pathway for aspiring depot managers.

That latter point is particularly significant in a role where much of the knowledge traditionally associated with depot management has been accumulated through years of practical experience.

Creating a more structured development route offers an opportunity to capture that experience while ensuring future managers also understand the increasingly broad compliance, safety, transport and operational responsibilities that come with the position.

The programme also sits within UKIFDA's wider training provision. The association describes raising industry standards, sharing best practice and improving operator competence as key objectives of its training activity and already provides Depot Manager and Depot Supervisor courses alongside regulatory and other industry training. It also develops bespoke programmes for individual member requirements.

Following the Highland Fuels programme, UKIFDA is exploring the potential for open-enrolment versions of the Depot Manager course, giving other member businesses access to the training.

For Highland Fuels, however, the immediate value has been closer to home: bringing managers together, creating space to share knowledge and establishing greater consistency in how the people responsible for its depots approach the job.

If you would like to explore the value of an audit for your depot, please contact Jon Cox, UKIFDA: jc@ukifda.org



PORTLAND MARKET REPORT

SEPTEMBER
IN VIEW

WITHOUT ENERGY, HOW LONG CAN THE CURRENT CUBAN REGIME HOLD OUT?

Whilst the attention of the world has been drawn to the ongoing crisis in the Middle East, the plight of Cuba has been somewhat sidelined. For the moment, the embattled Latino regime is clinging on, but just how long can a country function without any energy...?

Cuba is ruled by a hard-line communist regime, which took power in the 1960s. Throughout the 1970s, 80s and 90s, the state was heavily backed by their ideological brethren in Russia, China and parts of Latin America. Life was not straight-forward for Cubans though, because of their proximity to the USA (only 90 miles away) and the fact that America had placed various sanctions on the new communist regime, after so many US business interests were nationalised ("stolen by Fidel Castro").

"HOW LONG CAN A COUNTRY FUNCTION WITHOUT ANY ENERGY?"

Post-Millennium, support from Russia and China waned and Cuba was left increasingly reliant on Mexico and Venezuela for its energy needs. The Caribbean island has extremely limited domestic oil and gas resources, accounting for less than 25 % of national demand, which leaves them heavily dependent on overseas supplies. In 2025, Cuba imported 1.2m barrels per day (bpd), with 10 % coming from Russia, 25 % from Mexico and a whopping 60 % coming from Venezuela. The relationship with Venezuela was deep and at times unusual. Cargoes of oil were often paid for by Cuba, not in cash, but through the provision of Cuban Doctors or Security Services (Maduro's Presidential Guard was Cuban).

With the toppling of President Maduro by US Forces in January, Cuba's world changed. Venezuelan shipments ceased, as did Mexico's, amid US threats to apply tariffs to any country supplying the Communist regime. Russia did step in with some volume replacement – around 700,000 barrels of urals crude arrived

in March – but this was a one-off and no further Russian oil has arrived since then. On top of the US embargo on oil and shipping, Cuba's foreign-exchange constraints further restrict its ability to secure replacement fuel. As a result, the nation's four refineries (with a combined notional throughput of 130,000 barrels per day) are operating at around 10 % capacity, whilst customers at the island's 500 or so petrol stations are suffering hours-long queues. Even then, the Government has set a maximum purchase of 20 litres. On the black market, diesel prices have reached as high as \$30 per gallon (£6 per litre!) and shortages here have left garbage trucks unable to collect rubbish and food imports rotting at the ports, for want of onward logistics.

Problems have been compounded by Cuba's archaic power sector, which relies on oil and natural gas for 80 % of its generation. Electrical infrastructure was already reeling from 2025's Hurricane Melissa, which severely disrupted eastern Cuba, but the lack of supply affecting the whole country now means an almost continuous breakdown of power. Rolling blackouts are routine across Cuba, with daily outages of 20+ hours being reported in some areas. Provinces outside of Havana are most affected, but even in the capital, severe daily outages disrupt water supply, food preservation, sanitation and hospital operations.

So how long can Cuba hold out? Some supplies are arriving, although this is mostly in the form of humanitarian aid, rather than energy. The Brazilian air force has flown in powdered milk for Cuba's children and Canada (\$8m) and the EU (\$16m) have sent food aid. Mexico has also provided humanitarian assistance, but despite a promise from Pemex (Mexico's State Oil Co) that they would honour existing oil supply contracts, no oil has been sent to Cuba since January. Russia has labelled US actions in Cuba as piracy, but no oil has been shipped since the urals delivery in March. Ultimately, any form of commercial activity or foreign investment is extremely difficult as long as US sanctions remain in place.

In an alternative universe, Cuba might

have had a "get out of jail card", in that they have pursued renewable energy for decades. Around 60 solar parks have been built over the past two years (all supplied and funded by China) and solar now supplies around 10 % of Cuba's electricity – up from 0 % only 5 years ago. However, Cuba does not have the luxury of time to keep building this capacity and solar power won't address the desperate shortage of liquid fuels. So, inevitably, Cuba has been brought to the negotiating table. Over the summer, 176 reforms were announced in the biggest shake-up of the economy since the revolution of 1959. The reforms will allow private banks to operate, the development of real estate and stakes to be taken in state owned companies. Perhaps more importantly, some private fuel imports

"DIESEL PRICES HAVE REACHED AS HIGH AS \$30 PER GALLON."

(from the USA of course) will be permitted, and 200 businesses have been authorised as wholesale distributors. In time, this should allow somewhere in the region of 500,000 barrels of crude and refined oil per month into the country, but that is still a drop in the ocean versus the pre-embargo consumption of 1.8m barrels per day. Also, it will certainly not be enough to placate the long-suffering people of Cuba, nor a belligerent US Administration. This one will run for a few months yet, but it is difficult to see how the current Cuban regime can survive unless it makes even greater reforms, compromises its communist system and comes to terms with the USA.

For more pricing
information,
see page 39

Portland
www.stabilityfromvolatility.co.uk

Beyond the delivery: Watson One and the move from fuel supply to assurance



IN LAST MONTH'S CONVERSATION WITH MATT WHITTON, CEO, WE EXPLORED THE TRANSFORMATION OF WATSON FUELS; THIS MONTH WE LOOK AT ONE OF THE NEW PROPOSITIONS EMERGING FROM IT.

FOR CUSTOMERS WHOSE OPERATIONS DEPEND ON FUEL BEING AVAILABLE AND READY TO PERFORM AT PRECISELY THE MOMENT IT IS NEEDED, DELIVERY IS ONLY ONE PART OF THE EQUATION. WATSON FUELS CHIEF SALES OFFICER **SHAUN GALVIN** TELLS FUEL OIL NEWS WHY THE COMPANY BELIEVES A MORE PROACTIVE APPROACH TO MANAGING RISK, RESILIENCE AND FUEL INFRASTRUCTURE IS BECOMING INCREASINGLY IMPORTANT.

Ask Shaun Galvin what customer problem Watson Fuels was trying to solve when it began developing Watson One and he comes back to a single word.

"Assurance."

It is a deceptively simple answer to a challenge that has become increasingly complex.

For decades, the conventional relationship between distributor and customer has largely begun with an order: fuel is required, the customer calls and the distributor delivers.

That model remains entirely appropriate for many customers and Shaun is clear that there will always be a place for it. But repeated supply disruption, energy-market volatility and the increasing business consequences of downtime are creating a very different requirement for others.

"The landscape, whether it's fuel, whether it's energy, and whether that is the physical supply of the fuel itself or the commercial exposures that sit around wholesale price, is a real challenge for customers across the board," he says.

Watson One is the company's response to these challenges.

Rather than being a reaction to one particular market event, Shaun says its development began as a response to the same theme increasingly cropping up in customer conversations: resilience.

Customers, particularly those operating business-critical infrastructure, wanted greater confidence that fuel would be available, fit for purpose and supported by a plan when circumstances moved outside business as usual. More fundamentally, they did not want the need to manage that uncertainty to distract them from their own operations.

The challenge, Shaun suggests, is effectively: make this something I do not need to worry about.

From fuel supply to fuel assurance

Watson One brings together a range of

capabilities around the customer's fuel requirements with the ambition of creating a single point of accountability.

"If I had to summarise what we are aiming to take responsibility for," Shaun says. "I would say total fuel supply confidence."

The initial focus includes sectors such as data centres, airports and facilities management – environments where loss of energy supply can have immediate and potentially serious consequences.

"Downtime is simply not an option for those sectors," Shaun says.

That business-critical requirement changes the nature of the relationship.

Instead of beginning with the next delivery, the conversation may begin with the customer's infrastructure, consumption pattern, contingency arrangements, fuel condition, monitoring, commercial exposure and appetite for risk.

The resulting solution will not, Shaun insists, be a standard package.

"Every single business, every customer, every site, the geographical constraints, their own desires and appetite for risk will all differ."

Some of the individual capabilities to deliver such a solution, already existed within Watson Fuels. Shaun describes a long-standing "can do" culture that has frequently resulted in teams creating non-standard solutions when customers present unusual requirements.

Watson One brings more of that capability under one proposition.

At the same time, moving into markets with different requirements is creating new demands on Watson Fuels itself.

"As we've assessed markets that we've been less familiar with, we've uncovered requirements which have required investment on our side to solve them," he explains.

He expects that process to continue: "It's going to be a product suite and a service line that evolves by the nature of its consultative approach with customers."

Planning for the problem before it happens

At the heart of the proposition is a shift from reaction towards prevention and preparedness.

Shaun readily acknowledges that one of the key qualities of the distribution sector is its ability to respond to problems.

"We're really good at reacting, I think, as an industry," he says.

"But I think we would all be better served if we planned more effectively together all the way through that supply chain."

With this in mind, Watson One is structured around planning, proactive management and response.

The first stage involves understanding the customer's infrastructure and identifying where risk sits. That matters because what appear to be minor vulnerabilities can become significant at the exact time when a customer can least afford another problem.

Fuel quality in intermittent backup applications provides a particularly clear example.

A data centre may hold fuel for emergency generation for extended periods without routinely consuming it. By its nature, that reserve is called upon only when something else has already gone wrong. The longer fuel is stored, the greater the importance of monitoring its condition. If degraded fuel then prevents the backup system from performing when required, the customer does not simply have a fuel-quality problem.

It has another failure layered on top of the original event.

Something which could have been identified and addressed proactively may therefore become part of a much larger operational incident.

For Shaun, that demonstrates why resilience needs to be assessed as a system rather than through a single asset, delivery or fuel specification.

The resilience dividend

That thinking reaches well beyond Watson One.

Shaun believes there is a direct relationship between how businesses manage risk and their ability to withstand disruption: “The businesses that manage risk well are those that are more resilient and more sustainable, as well as more profitable – all the good metrics that you look to.”

Sustainability in this context has a broader meaning than carbon alone. It is about whether a business can continue operating through disruption, absorb unforeseen events and avoid preventable failures.

Recent years have given businesses repeated reminders of how quickly assumptions around supply, infrastructure and price can be challenged. Shaun believes planning for those possibilities is becoming a straightforward part of prudent business management.

“There’s definitely scope for more effective planning, both for events within an end user’s control and outside of their immediate control.”

A supplier that has encountered similar events elsewhere can also contribute experience a customer may not possess itself.

“We should be able to help inform customers of what those potential risks and threats are, because they may not have experienced them.”

In other words, experience gained in one crisis can potentially prevent another customer having to learn the same lesson first-hand.

Automation enabling people

Inevitably, greater visibility and proactive management bring technology into the conversation.

Telemetry can monitor tank levels. Data can identify patterns. Routine transactions can be automated. Modelling can support price-risk decisions and forecasting.

Shaun is enthusiastic about those possibilities, but clear about the purpose automation should serve. “There is absolutely a place for automation,” he says, “but more so than anything, so that talented humans can focus their time, effort and energy on what adds value.”

It is an important distinction.

The goal is not automation for its own sake. It is to remove work that technology can perform efficiently and consistently, leaving people free to apply experience, judgement and relationships to more complex situations.

“When it comes to studying risk, especially in technical, high-risk environments, there’s no replacement for human experience.”

That experience may come from having witnessed a particular failure, taken corrective

action and then incorporated what was learned into future planning. And when an emergency does occur, all the plans and technology in the world still have to translate into action.

“You can have the best and most thorough plans documented for every possible contingency,” Shaun says, “but if you don’t have the right people who are equipped to make those plans and contingencies happen when you need them, you will struggle to make them a reality.”

He talks repeatedly about the “human grit” he sees within the Watson Fuels team – people willing to adapt, persevere and solve problems for customers.

The principle sits neatly alongside the company’s move towards greater local empowerment: technology provides visibility and consistency; people closest to the situation retain the capability to respond.

When the plan is tested

The value of resilience planning is ultimately revealed when something does go wrong.

For Watson One, Shaun says the response then has to be rapid.

What that response looks like will vary according to the incident and the contingencies already agreed, but the point of the preparatory work is that neither customer nor supplier begins from zero when the pressure is on.

“There’s someone there; they know, they understand, they’re competent, they’re ready to go and deliver.”

That matters in an industry built heavily on relationships.

In a business-critical moment, Shaun argues, the customer should not simply be an account number or another delivery destination. “You’ve done the planning, so you’ve got that comfort. You’ve worked through these contingencies, so you’re not having to think on the fly.”

The supplier already understands what sits beneath the requirement.

Commercial resilience too

Physical availability is only part of today’s fuel-risk equation.

Price volatility has brought commercial exposure firmly into the resilience conversation. Shaun believes the price of the product can be “just as volatile and unpredictable as access to the physical molecule”.

How much price certainty a customer wants will always depend on its own appetite for risk. Watson Fuel’s role, he stresses, is not to dictate that decision.

But for organisations seeking greater visibility over future fuel costs, price-risk management

can form another part of the assurance proposition.

Asked whether customers increasingly want certainty over three things – that fuel will be there, that it will perform, and that its cost can be managed – Shaun is careful not to speak on behalf of every business.

But, he adds, “those three are a pretty good starting point”.

More than a traditional supplier

There is an obvious commercial objective behind Watson One. Shaun is, after all, Watson Fuels’s Chief Sales Officer.

The company wants both to deepen existing customer relationships and win business in new markets. But his definition of success extends beyond volumes and customer numbers.

“We want someone to come and challenge us to be more than a traditional fuel supplier,” he says.

The ambition is to become what he describes as “a resilient, trusted partner” and, particularly at business-critical moments, “an extension of their business”.

That represents an interesting evolution of a familiar distribution model.

Fuel remains at the centre. Watson Fuels continues to describe itself fundamentally as a liquid fuel supplier, and the customer remains responsible for deciding which fuel and energy pathway best suits its operation.

What changes is the value wrapped around that supply.

Expertise, monitoring, infrastructure knowledge, contingency planning, commercial risk management and rapid response all have the potential to make the distributor relationship about more than moving a litre from one location to another.

It is also one practical example of a wider question facing the sector: as markets change, how much future value will come not simply from supplying the product, but from applying the knowledge accumulated around supplying it?

For Shaun, the answer is clear enough to have built a new proposition around it.

But perhaps the most revealing description of Watson One came not from its list of services, but from his reference to customers who had remained insulated from difficult market events.

They were able to continue concentrating on their own operations because, as he puts it, they could think: “Those guys are in charge of that. We outsource that worry, that problem.”

For businesses where fuel failure can quickly become business failure, that may, ultimately, be the assurance that matters most.



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What price oil?

Q3 2026 in review

IN ASSOCIATION WITH *THE OIL MARKET JOURNAL*

A QUARTERLY REVIEW OF THE MOVEMENTS OF, AND IMPACTS ON, BRENT CRUDE AND HVO DIESEL PRICES. WITH INSIGHT AND DATA SUPPLIED BY THE OIL MARKET JOURNAL, WE HIGHLIGHT SOME OF THE KEY EVENTS THAT HAVE IMPACTED PRICING OVER THE QUARTER.

Q3 Review

After a turbulent first quarter, marked by the outbreak of the US-Iran war, price consolidation and frequent talk from President Trump of peace deals, Q3 became a story of a conflict spreading across the Middle East's energy network. What began as a threat to shipping in the Gulf evolved into a broader campaign targeting refineries, pipelines, ports and critical supply routes, driving oil prices sharply higher and leaving markets on edge.

The quarter began with hopes that tensions might ease after the Strait of Hormuz briefly reopened in June. Those hopes quickly faded as talks between Washington and Tehran stalled once again. Attacks resumed between the US and Iran, while Chinese crude buyers returned to the market after largely relying on domestic stock drawdowns during Q2. The return of Chinese demand removed a key buffer that had helped contain prices earlier in the year.

As tensions intensified, the conflict moved beyond Hormuz. Following a Saudi bombing raid on a Houthi airstrip, the Houthis ended their four-year truce with Saudi Arabia and resumed attacks on the kingdom. What began as a crisis focused on the Strait of Hormuz soon expanded westward into the Red Sea and Bab al-Mandab, broadening the threat to global oil trade and regional energy infrastructure.

The Houthis expanded their campaign in the Red Sea, attacking Saudi energy infrastructure and seizing the strategic port of Mokha, strengthening their control of Yemen's western coastline and increasing risks to shipping transiting the Bab al-Mandab Strait. At the same time, Ukraine stepped up attacks on Russian refining infrastructure, while refinery outages, record-low Rhine water levels and declining diesel inventories added further strain to global fuel supplies.

Oil markets responded accordingly. Brent climbed from around \$70/b at the start of the quarter to over \$100/bl, while ICE gasoil surged as diesel markets tightened. Although periodic reports of US-Iran negotiations briefly pressured prices lower, every diplomatic breakthrough proved short-lived and was quickly overtaken by fresh military escalation. As oil prices surged, President Trump regularly signalled that progress towards a deal remained possible, creating brief waves of optimism that were ultimately overshadowed by renewed conflict and disruption across regional energy markets. More often than not, however, the comments failed to deliver any meaningful progress.

The most significant development came in September, when Iranian-backed forces operating in Iraq attacked Saudi Arabia's East-West pipeline near Medina. The pipeline, which can carry up to 7mb/d of crude 750 miles from Saudi Arabia's eastern oil fields to the Red Sea

export terminal at Yanbu, had become a critical supply route since the Iranian crisis began in February. More importantly, it allowed Saudi Arabia to bypass the Strait of Hormuz altogether.

Its closure marked a major escalation. With Hormuz already under pressure and Red Sea risks continuing to grow, the attack removed one of the region's most important alternative export routes.

By the end of Q3, the market was no longer simply pricing disruption in Hormuz. Instead, attacks on refineries, pipelines and export routes transformed a regional conflict into a global energy security concern.

HVO Q3 Review

The European HVO market experienced a volatile third quarter, shaped by logistical challenges and shifting demand patterns. The quarter began with plentiful supply as weak diesel consumption weighed on market sentiment. Conditions worsened when record low water levels on the Rhine disrupted fuel deliveries into Germany, Europe's largest HVO consumption market. With river transport severely restricted, some buyers delayed physical purchases and instead met renewable fuel obligations by relying on compliance certificates rather than buying physical product.

Product accumulated in storage hubs, particularly in the Amsterdam-Rotterdam-Antwerp region, as rail capacity proved limited and road transport remained uneconomical.

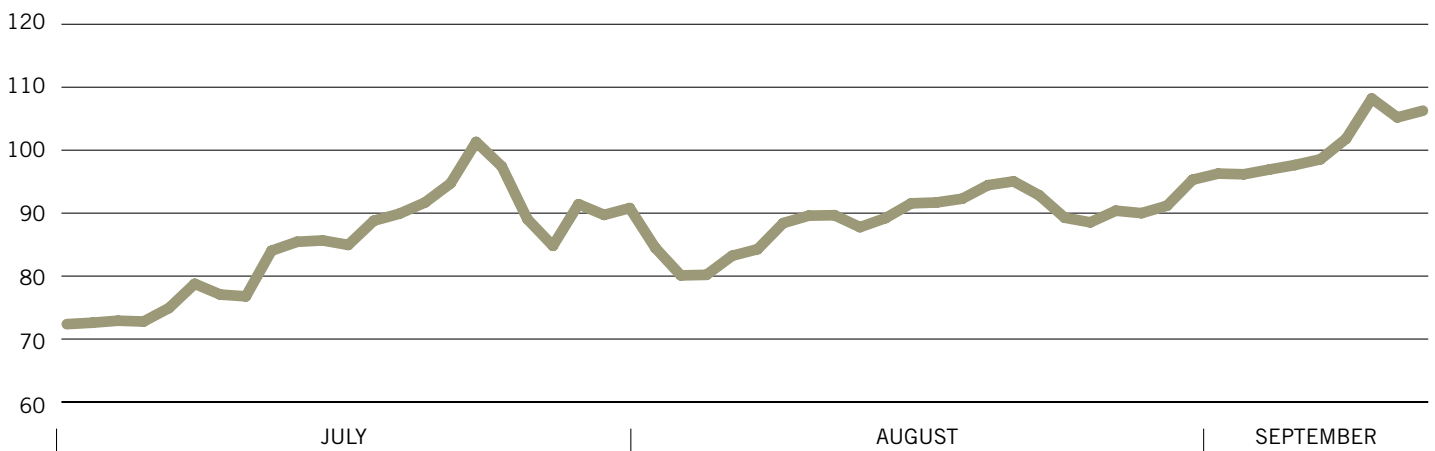
Despite these weak market fundamentals, HVO prices were supported at times by broader movements in the diesel market. Tensions in the Middle East, concerns over shipping through the Strait of Hormuz and continued restrictions on Russian diesel exports drove significant volatility in conventional fuel markets. While these developments lifted outright HVO values, they did not result in a sustained improvement in demand, and price gains were often offset by weakening premiums.

Feedstock markets showed mixed performance during the quarter. Used cooking oil (UCOME) prices in Asia increased modestly, supported by steady demand. Regulatory developments also played an increasingly important role. Spain's implementation of RED III is expected to support future demand for some advanced renewable fuels, while limits on the use of certain feedstocks in Germany reduced demand for HVO derived from used cooking oil.

By the end of the quarter, the market remained highly volatile. Although overall HVO prices finished higher than where they began, supply chain disruptions, elevated inventories and regulatory constraints continued to weigh on demand, leaving the sector increasingly fragmented and uncertain.

Q3 prices 2026

ICE Brent Crude - \$/b (ICE EU) (Month 1)



Q3 2026 Key dates

JULY

1 JULY

US days of supply cover fall to lowest level since February.

6 JULY

OPEC+ agrees to increase August output to 180,000bpd.

7 JULY

Iran attacks two tankers in the Straits of Hormuz, including a Qatari LNG tanker. Ukraine attacks the largest refinery in Russia, the 460,000bpd Omsk refinery in Siberia. Ukraine also attacks the Russian oil export ports at Ust-Luga and Vysotsk on the Baltic Sea.

8 JULY

US distillate days cover fall to the lowest level since October 2022.

Trump says the ceasefire with Iran is over. The US revokes the licence allowing the sale of Iranian crude.

14 JULY

US CENTCOM deploys sea drones for the first time in combat operations, attacking various Iranian marine facilities.

The Houthis end their four-year truce with Saudi Arabia and attack Abha airport.

17 JULY

ARA stocks fall to a 12-year low.

20 JULY

Kuwait's power and water desalination plant sustains significant damage due to Iranian missile and drone attacks.

Argus reports European diesel cracks hit a 28-year high because of strong product demand and reduced supply.

21 JULY

Houthi rebels announce an immediate ban on maritime navigation linked to Saudi Arabia. CPC loadings halt after a drone attack on the "Nelsa" oil tanker in the Black Sea.

24 JULY

ARA stocks fall to a new 12-year low with fuel oil stocks 48% below the five-year average. President Trump says the U.S. is seriously considering major combat operations in Iran.

27 JULY

Oil moves lower as the US pauses attacks on Iran.

The Houthis attempt to attack oil refineries at Yanbu in Saudi Arabia but the missiles were shot down by Greek defence forces.

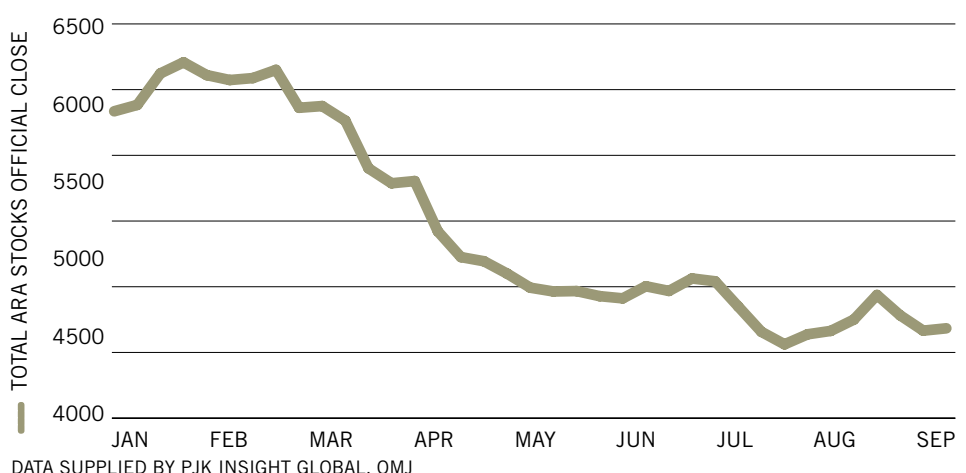
AUGUST

2 AUGUST

Oil slumps on news that the US and Iran resume talks, after President Trump threatens Iran with the largest bombing campaign since World War II.

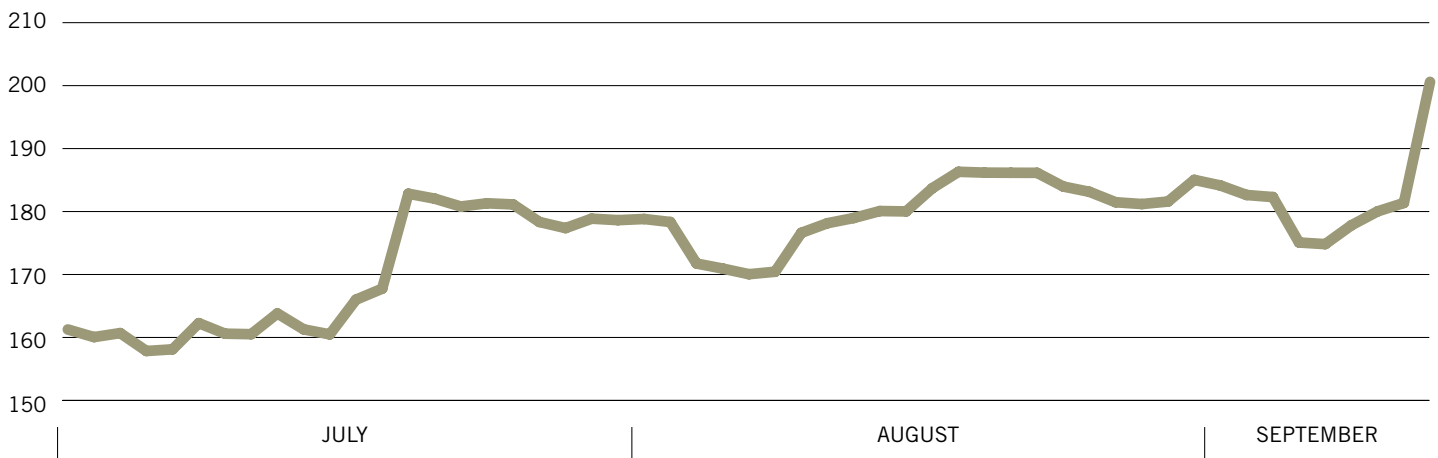
Two vessels come under attack, including the GasLog Shanghai LNG tanker in the Gulf of Oman.

Total Stocks in the Amsterdam-Rotterdam-Antwerp (ARA) Region



Q3 prices 2026

HVO Price PPL FT Week (Mon-Fri) Avg + Duty



4 AUGUST

Rhine water levels fall to an eight-year low. The Houthis attack Najran airport in Saudi Arabia. Saudi Aramco chief executive Amin Nasser warns that oil buffers face prolonged strain.

5 AUGUST

The Houthis attack a Saudi oil tanker near Yanbu.
Global oil stocks run low after five months of very few oil tankers exiting the Persian Gulf.

6 AUGUST

Iran and Oman agree a Strait of Hormuz transit agreement. Ships are to enter the Persian Gulf via the northern route close to Iran and exit via the southern route close to Oman.

7 AUGUST

Iran seeks to prevent US and Israeli ships entering the Straits, and seeks compensation from hostile countries before vessels are allowed to transit.

10 AUGUST

Rhine water levels fall to a record low, with the level at Kaub reaching just 17cm. Oil flows from ARA to southern Germany and Basel halt, hitting demand for ARA oil supply.

11 AUGUST

Expectations of a US-Iran agreement continue to fade. President Trump signals that the US will maintain its blockade on Iranian shipping and pursue a long-term strategy of economic pressure rather than a near-term deal.

14 AUGUST

An explosion at the Gunvor refinery results in the death of a worker, while a power outage affects the ExxonMobil refinery following a fire at a power substation.

19 AUGUST

Iran fires two missiles at the UAE, but both are intercepted.
US Under Secretary Haustveit says the US is now buying more than half of Venezuela's crude output.

20 AUGUST

Egypt offers five jet cargoes for September. The UAE suspends economic and financial ties with Iran, as traders await further details on the US economic blockade plan.

25 AUGUST

The US unveils additional sanctions on Iran, including secondary sanctions on nations doing business with Iran.

SEPTEMBER

7 SEPTEMBER

Iran fires ballistic missiles at two US warships and the US sinks three Iranian oil tankers.

Argus-reported vessel traffic through the Strait of Hormuz fell to three crossings on Wednesday, about 2% of the pre-war daily baseline of 135.

9 SEPTEMBER

The US attacks five Iranian tankers near the main Iranian oil terminal of Kharg Island as Houthis attack oil facilities in southern Saudi Arabia, causing injuries and fires.

12 SEPTEMBER

Oil moves higher as the Houthis advance towards the Red Sea. Prompt delivery Brent crude reaches \$120/bl.

ARA jet fuel stocks fall to a five-year low. Saudi supply falls to the lowest level since 1990.

14 SEPTEMBER

The Saudis close the key East-West pipeline, which transports oil across Saudi Arabia to the Red Sea port of Yanbu.

The Houthis expand control of Yemen's west coast, increasing the risk of further attacks on Red Sea shipping. The Houthis take the coastal towns of Dhubab and Mocha and reportedly reach the Red Sea island of Perim.

Prompt delivery Brent crude reaches \$130/bl.

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Beyond volume: How fuel distributors can navigate a changing energy market

FUEL DISTRIBUTORS ASKED US HOW THEY CAN REMAIN PROFITABLE AND RESILIENT THROUGH THE ENERGY TRANSITION. IN THE FIRST OF A NEW SERIES, WE EXAMINE THE FORCES RESHAPING THE MARKET – AND THE ASSUMPTIONS BUSINESSES MAY NEED TO RECONSIDER.

Fuel distributors are used to change. Prices move, winters disappoint, supply tightens, governments change course and margins come under pressure. Good operators adapt.

What feels different now is the number of structural pressures arriving together – across markets, infrastructure, technology, policy, customer behaviour and the wider economy. Increasingly, those pressures amplify one another.

Geopolitical shocks can raise wholesale prices, affecting household affordability and buying patterns. High energy costs can increase political pressure for intervention while leaving customers less able or willing to invest in alternative technologies. Extreme weather can disrupt infrastructure and supply chains. Policy influences where capital is invested, affecting which technologies reach scale and at what cost.

For a distributor planning fleet investment, depot capacity, recruitment or the future shape of the business, separating one issue from another is becoming increasingly difficult.

That is the starting point for this new Fuel Oil News series.

You asked us to help navigate change

Through conversations with distributors, one request comes through consistently: **help us understand what all this means for our businesses.**

Not just what the latest policy announcement says or which technology has launched, but where the market is heading and how businesses can remain profitable as it evolves.

That is what *Navigating the Energy Transition* will aim to do.

We will not assume there is one technology, fuel or business model that every distributor should pursue. Nor treat the energy transition

as something separate to the day-to-day job of running a fuel business.

Instead, we will examine the forces already changing that job and consider the opportunities they create.

From disruption to structural change

Recent events have demonstrated how quickly geopolitics can affect the price and availability of liquid fuels. The UK supply landscape has altered through refinery and terminal closures, and labour, vehicle, insurance and compliance costs have increased.

Technology is changing route planning, customer communication, tank monitoring and business data use.

At the same time, energy policy is increasingly designed to reduce fossil-fuel consumption and carbon emissions.

That does not mean demand for liquid fuel disappears tomorrow. Liquid fuels continue to be embedded in essential parts of the economy and maintaining secure, reliable supply remains vital.

The CMA's July 2026 market reports around 1.5 million UK households still rely on heating oil. In Northern Ireland it is the primary heating method for almost two thirds of households according to the latest NISRA survey.

The Government's UK Food Security Report states that agricultural energy "remains heavily reliant on non-renewables" with 98% of commercial farms in England using red diesel according to the latest Defra survey.

The longer-term direction, however, is becoming harder to ignore.

Government energy projections generally anticipate declining demand for conventional oil products as transport electrifies at pace, buildings become more energy efficient and lower-carbon alternatives take a greater share of energy demand.

Government projections anticipate a substantial long-term decline in conventional oil demand, led principally by changes in transport.

Under DESNZ's central reference scenario, final oil demand is around 46% lower by 2050 than in 2024, excluding international aviation. The direction of travel is not the same in every market. Road fuels are likely to face the greatest

structural pressure as vehicles electrify and renewable fuels take a larger share. Domestic heating oil has already experienced a gradual long-term decline, although annual demand remains highly sensitive to weather and prices. Agricultural demand may prove more persistent where practical alternatives to liquid fuels remain limited, and renewable-fuel substitution may alter the product mix without reducing total liquid-fuel volumes to the same extent.

For distributors, the direction of travel changes the commercial question.

Some businesses may continue to grow their volumes by increasing market share or through consolidation, even if the overall market contracts. Certain customer segments may also prove more resilient than others.

Increasingly, however, business performance may depend as much on **margin, efficiency, customer retention, service, diversification and the value created from each customer relationship** as it does on litres sold.

It is growth measured in value, not only volume.

A changing customer conversation

Price and reliability remain fundamental. They always will. But distributors increasingly encounter questions that would have been much less common a decade ago.

What alternatives are available? What is HVO? Will my next vehicle be electric? Should I replace my oil boiler? What will heating cost in five years? What is the carbon impact of the fuel I buy? What government support may be available?

Not every customer is asking these questions, nor is every customer ready or able to change. But even before they do, those questions begin to change what they expect from their supplier.

Distributors have considerable strengths here: established customer relationships, delivery networks, local knowledge and, particularly in rural communities, trust built over decades.

That creates both an opportunity and a strategic question.

If customers' energy needs change, how much of that future relationship can the existing distributor retain?

The answer will differ between businesses. For some, it may involve renewable liquid fuels. Others may add lubricants, tank services, telemetry, EV charging, heating technologies or broader energy advice. Some may focus on becoming exceptionally efficient operators in a reduced but enduring liquid-fuel market.

There is no reason to assume one model will suit all. But there is every reason to understand the options before decisions become urgent.

Policy is now a commercial force

Whatever an individual's view of net zero, the policies associated with it – and their commercial impact – cannot be separated from business planning.

Behind much of that policy direction is the need to reduce greenhouse-gas emissions, while the physical effects of a warming climate are themselves becoming a business and infrastructure risk.

Policy affects taxation, fuel standards, vehicle choices, heating incentives, infrastructure investment and the relative economics of competing technologies.

It can create markets, constrain others and change before long-life investments have paid back.

That uncertainty matters when businesses are considering assets with working lives measured in decades rather than years.

A tanker purchased today may pass through more than one chassis or refurbishment cycle, while storage tanks and depot infrastructure can remain in service for 20 or 30 years – and in some cases considerably longer. NWF, for example, accounts for commercial vehicles over three to ten years, plant and machinery over three to 25 years and buildings over ten to 50 years.

For businesses making capital decisions today, assumptions about demand, regulation and the fuels those assets may need to handle in the 2030s and 2040s are therefore already relevant.

The relevant question is therefore not simply “what is the policy today?”

It is also “what assumptions about demand, customers and regulation am I building into this investment?”

Good decisions do not require perfect certainty. They require an understanding of where the uncertainty lies, how much exposure it creates and what options remain if circumstances change.

The strategic question may be less “will I still need this asset?” and more “how flexible is this investment if the product mix changes during its working life?”

When pressures collide

These changes do not operate independently.

War or political instability can disrupt supply and raise prices. Higher prices place pressure on household budgets and business costs. Governments may respond through changes to taxes, subsidies or policy timetables. Those decisions influence investor confidence, which affects future infrastructure and technology availability. Extreme weather can add pressure to supply chains, insurance, agriculture and energy demand.

These compounding pressures are sometimes described as a polycrisis: not simply several difficult events occurring at once, but stresses in different systems interacting in ways that can intensify their effects.

For a fuel distributor, their combined effect is seen in very practical ways: a different ex-rack price, a smaller customer order, another enquiry about HVO or heat pumps, a higher insurance premium, a disrupted delivery route or an investment decision that suddenly feels harder to make.

Understanding those connections matters because planning for each risk separately could underplay their combined effect.

No single transition

It is tempting to talk about the energy transition as though one system will simply replace another.

In practice, the transition is fragmented and uneven.

Electricity is expected to take a much larger role as heat, transport and industry electrify, but deployment does not follow a straight line. Heat-pump installations have risen substantially since 2020, though recent figures show this is not linear. Even as a small proportion of the current fleet, zero-emission vehicles are rapidly gaining ground. Renewable liquid fuels are already in use, and the SAF Mandate creates a legally defined growth path for sustainable aviation fuel. Hydrogen and carbon capture remain at an earlier stage, with government-backed projects moving into operation and construction.

These pathways are not progressing at the same speed nor facing the same constraints. Policy support, investment, construction, deployment and commercial maturity are different things. Economics, infrastructure, resource availability and customer demand will determine where each technology can scale.

For distributors, that means the future is unlikely to involve waiting for one technology to win and then changing direction overnight.

It is more likely to involve a prolonged period

in which old and new systems coexist.

That may complicate planning, but it also creates room for businesses that can adapt without abandoning the capabilities on which they were built.

Five questions for your business

Rather than trying to predict one version of the future, distributors can begin by testing the assumptions behind their current business model.

- **Margin:** Where do we create value beyond the litre – and will customers pay for it?
- **Demand:** Which customer segments could contract first, and which are likely to remain resilient?
- **Assets:** What assumptions about demand, regulation and product mix underpin our next investment?
- **Customers:** Which changing energy needs could we credibly continue to serve?
- **Resilience:** Which combination of price, weather, supply and policy changes would put the greatest pressure on our business?

Navigating what comes next

Conversations about the transition can rapidly become an argument about who is right. That is not the purpose of this series.

The operating environment is changing whether individual businesses welcome every aspect of that change or not. Our purpose is to examine what it means commercially.

Over the coming issues, we will examine what distributors really think about the transition; how climate, geopolitics, affordability and energy security are reshaping markets; which proposed solutions can scale; what lower conventional-fuel demand could mean for growth; and how businesses are already adapting.

There will be uncertainty, contradictions and trade-offs. We will consider those too.

The objective is not to predict one version of the future. It is to give fuel distributors the information and context they need to make better decisions in the business they run today, while preparing for the market in which they may operate tomorrow.

Next:

What does the industry really think? We ask fuel distributors how they view net zero, future fuels and the changing energy market – and where they see the greatest risks and opportunities.

From cure to conversation: inside the FAST Academy

CAN FUEL ADDITIVES BECOME A MORE NATURAL PART OF THE CUSTOMER CONVERSATION – AND A RELIABLE SOURCE OF MARGIN – RATHER THAN SOMETHING OFFERED ONLY AFTER A PROBLEM APPEARS? FUEL OIL NEWS EDITOR, MARGARET MAJOR, JOINED DISTRIBUTORS AT FAST EXOCET'S NEW ACADEMY TO FIND OUT.

Customers rarely call their fuel distributor to discuss chemistry. They call because a boiler has stopped, a filter is blocked, machinery has lost power or a tank contains something that does not look as it should.

That distinction was one of several valuable insights to emerge from a day at the FAST Academy in Atcham, Shropshire.

Hosted by additive producer FAST Exocet, the Academy has been designed as a small-group, day-long workshop bringing together technical fuel knowledge, laboratory and production insight, customer profiling and sales skills. The approach is practical and discussion-based rather than classroom theory.

Its purpose is to improve understanding of fuel and additives, give sales teams greater confidence and help distributors earn more from the litres they already deliver.

I attended alongside delegates from OilMaxx and Stoddards Fuels, who brought perspectives from sales, management and driving as well as very different lengths of industry experience.

The mix proved useful because successfully developing additive sales requires a consistent understanding across the business.

The day included fuel fundamentals, product applications, a laboratory visit, a tour of the warehouse and production operation, and an afternoon focused on customers and sales. It was a fun and interactive day, with quizzes, discussions and a fiercely competitive exercise involving the correct labelling and packing of an order.

The serious question beneath the activity was simple: why are additives still so often treated as a remedy rather than a preventative measure?

Fuel that “just works”

Scott Mace, who hosted the day and has spent 16 years with FAST Exocet, began with the ambition that additives should stop feeling like an upsell and start feeling essential.

That is quite a leap in an industry in which

the buying conversation can quickly become concentrated on pennies per litre.

FAST's approach is built around changing that mindset – and giving distributors the knowledge to explain why preventative treatment might matter.

Before getting into additives, we were taken back through the fuel journey from extraction through transportation, refining, storage and distribution. The important message was not the detail of the process, but what happens afterwards.

Fuel may leave the refinery clean and within specification, but storage, transportation, temperature variation and exposure to air, water and contaminants can all affect its subsequent behaviour.

“THE ADDITIVE MAY BE THE PRODUCT, BUT RELIABILITY IS THE PROPOSITION.”

It may then remain in a distributor's storage before being delivered to the end user.

The discussion moved to what happens when fuel spends longer than expected in a customer's tank.

It's a question that is becoming more relevant as consumption patterns change. Better-insulated homes and more efficient boilers mean some domestic customers are using heating oil less rapidly, so fuel may remain in the tank longer. Similar challenges arise in seasonal industries. Following a poor harvest, for example, farmers may have surplus fuel and a much longer storage period than anticipated.

“Fuel condition can begin to change after it leaves the refinery, particularly during prolonged or unsuitable storage” was one of FAST's recurring messages during the day.

For distributors, that raises an interesting

point. Customers tend not to think about the life of their fuel until something changes. Scott made the observation that they do not generally report a chemical problem with their fuel. They report behaviour.

That is an important shift in language. The additive may be the product, but reliability is the proposition.

What the laboratory sees

The visit to FAST's laboratory was probably one of the most useful parts of the day, in turning an invisible issue into something tangible.

Fuel samples sent to FAST are tested for issues including filter-blocking tendency, flashpoint, particle contamination, cold-temperature performance, water content and microbial contamination.

The three most common problems reported by the laboratory were biodiesel dropout, water contamination and diesel bug.

The samples themselves provided a persuasive visual reminder that “fuel problem” is a broad description rather than a diagnosis. Bugs, sludge, water, waxing and particulate contamination can produce similar customer complaints while requiring very different responses.

Sample quality also matters. The laboratory occasionally receives fuel in washed-out drinks bottles or even coffee jars, containers that may introduce contamination and invalidate any analysis. FAST supplies proper sample jars, and the reason is clear: good technical support begins with a clean, representative sample and accurate information about where and how it was taken.

The discussion also moved into the difficult territory of customer tanks where condition can vary enormously. Inherited contamination, water ingress and decades of accumulated sediment can all raise their heads when a fresh delivery disturbs what is already present.

This points to a valuable commercial practice: establishing the tank's condition, checking for water where appropriate and



recording relevant information can inform recommendations while reducing the potential for future complaints.

Cure has a place – but prevention changes the relationship

The Academy distinguished between products intended to deal with an existing problem and additives designed to prevent problems or enhance performance.

There will always be a need for corrective products. Sludge may need to be dispersed, microbial contamination treated or a dirty fuel system cleaned. In these situations, the customer already recognises the problem and is actively seeking a solution.

Preventative sales are harder because the benefit is avoiding something the customer may not believe will happen. This is why additives are often easier to sell reactively: the value becomes obvious only after inconvenience, cost or downtime has occurred.

The challenge for a distributor is to make prevention credible without relying on fear.

For a domestic heating customer, the relevant outcomes may be warmth, reliability and reduced risk of avoidable service issues. For a farmer, they may be storage resilience and keeping machinery working at critical periods. For a fleet operator, fuel economy, injector cleanliness, maintenance and downtime may matter most. An industrial customer may place greater value on burner cleanliness and operational continuity.

The Academy's customer-profile exercises encouraged delegates to move away from product features and towards a more useful question: what does this particular customer need their fuel to do?

It is a question frequently lost in product-heavy sales conversations.

Selling the outcome, not the ingredient

If the morning provided the technical foundation, the afternoon asked what distributors do with that knowledge.

This is where Carol Badham of Oilmaxx, who has spent 38 years in the industry, made one of the key observations of the day. From a sales-management perspective, she said there had always been a drive to sell more additive because the commercial benefit was obvious, but suggested "the why was missing".

The missing element is not a list of product features, but a convincing reason to raise the subject at all.

"THE CHALLENGE FOR A DISTRIBUTOR IS TO MAKE PREVENTION CREDIBLE WITHOUT RELYING ON FEAR."

Pete Stoddard of Stoddards Fuels raised another point – that additised fuel could itself become a distributor's point of difference: giving customers a choice not simply between identical litres at competing prices, but between standard fuel and a more clearly defined premium product.

This is particularly relevant in a commoditised market. When every conversation begins and ends with pence per litre, differentiation is difficult. A credible premium offer creates another basis on which customers can make a decision – but only if the business can confidently explain what "premium" means.

It is not a case of simply attaching a label to ordinary fuel and expecting customers to pay more. The premium offer needs a defined customer benefit and consistent language from everyone answering the telephone.

Customers do not generally want an additive. They want an outcome. The product is not the starting point. The customer's problem – or the problem they would prefer never to have – is.

The most effective approach is therefore consultative rather than scripted, the Academy suggested. Ask about the application, usage pattern, storage conditions and previous problems. Explore the implications of failure. Then make a recommendation and explain its benefits in the customer's language.

It is also important to retain a genuine choice. A recommendation should be suitable and evidence-led, not a default surcharge concealed within the order.

Margin without chasing more volume

The commercial logic behind the Academy is that distributors can increase margin from existing volume rather than relying entirely on selling more litres in a volatile market.

In the pre-event briefing, Scott summed it up: "You can grow profits without extra volume by making preventative additives a standard part of your offer, with an optional premium tier."

FAST demonstrated this through a margin calculator showing how changes in the proportion of treated fuel sold could affect additive costs, selling-price uplift and gross profit. The figures were illustrative rather than guaranteed but made a useful point: a modest per-litre uplift, applied consistently across meaningful volume, can become material.

The calculation is the easy part. The more

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Don't just take our word for it..

Really enjoyed today, feel a lot more confident in promoting & selling the additives before an issue happens rather than just selling them when they have an issue.

Yasmin, Quad Fuels

I came here not knowing much about additives but am leaving feeling much more comfortable and confident in upselling.

Andy Hill, Rix/Oakleys

The academy was very useful from the understanding of the additives to the packing and production behind it to how to sell to customers and enhance the customers performance.

Ellie, Allan Stobart Fuels



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INDUSTRY FOCUS

difficult task is changing behaviour inside the depot.

As Scott acknowledged, "You can give someone a figure and say, 'We can help you achieve this.' But if you don't encourage your staff members to offer it and guide them in the right direction, the calculator falls flat on its face."

A premium fuel strategy will not succeed because managers have seen an attractive spreadsheet. It requires training, suitable targets, regular measurement and a sales process that makes the conversation routine.

To encourage this essential follow-through, FAST delivers a 12-week post-Academy challenge intended to keep teams focused on putting what they have learned into practice. Targets are agreed, progress is reviewed and ongoing sales and technical support is provided.

Discussion turned to incentives.

During our pre-event conversation, Scott recalled one distributor introducing a modest reward for new additive sales and seeing a dramatic increase in activity as a result.

Rewards, commission or team targets can prompt someone to start a conversation but cannot compensate for a poor proposition. If employees regard the product as an unnecessary add-on, an incentive risks producing an awkward upsell. If they understand the customer's needs and believe in the recommendation, it can reinforce the right behaviour.

The strongest internal message is therefore not simply "sell more additive". It is: identify where treated fuel provides genuine value, explain it clearly and offer it consistently.

The lesson for distributors

It would be easy to view the FAST Academy simply as a manufacturer's programme to sell more product. Of course, increased additive sales are a commercial objective. But that does not invalidate the wider questions the day raises for distributors.

The most useful takeaway was that a considered premium recommendation should become part of every relevant customer conversation, rather than something raised only after a problem occurs.

A customer rings. They want 1,000 litres of kerosene. The salesperson confirms the price, takes the address, agrees a delivery date and moves to the next call.

Efficient? Absolutely. But perhaps an opportunity missed.

As consumption and storage patterns change, those missed conversations may become increasingly relevant.

How much does your team understand about what happens to fuel after it leaves the refinery? How well do you understand the condition of customers' tanks and their fuel usage patterns? Is your premium offer meaningfully different from standard fuel? Can staff explain that difference without reaching for jargon? And is the offer made consistently, or only after a customer has experienced a problem?

That is the real value of the FAST Academy approach.

Not simply teaching people how to sell another product, but encouraging them to understand the fuel, understand the customer and explain why an additional few pence might represent value rather than cost.

A distributor that can connect fuel condition with customer outcomes, assess rather than assume, and recommend prevention where appropriate gives the customer something more to consider than price alone.

And in a market where margins are pressured, volumes are weather-dependent and customers often notice their fuel only when it lets them down, that guidance may be the most valuable premium of all.

Delivering Insight is your monthly business-critical briefing. Designed to give SME distributors clear, actionable guidance to work smarter and more profitably. Although larger distribution groups may have in-house HR teams, fleet managers, compliance officers and analysts, many SME FODs operate without those resources. Delivering Insight is your virtual support team – a growing knowledge base that builds into a valuable reference library for your business, helping you make informed decisions that safeguard your business today and strengthen it for the future. This month, we continue the journey from terminal to customer as we consider what impact remote customers have on your cost of delivery.

Route economics: How to ensure deliveries remain profitable

Last month, Delivering Insight followed the litre from depot to customer, examining how drop size changes the economics of delivery. This month, we add the final variable to that journey: where that customer is.

Two customers can order exactly the same volume at exactly the same margin yet deliver very different returns. One may sit among six other customers on an established route; another may require a tanker and driver to travel miles beyond the nearest delivery.

But distance alone doesn't determine profitability. What matters is how efficiently each customer fits into the wider route.

In the final article of our three-part look at collection and delivery economics, we examine the true cost of distance, the importance of route density and what can improve the economics of serving remote customers. And we ask a potentially difficult question: should some customers pay more because of where they live?

What does distance really cost?

In our previous article – 'The economics of delivery: how much does drop size affect profitability?' – we calculated the attributable cost of a delivery. Geography adds another layer. Additional mileage means additional fuel, driver time and vehicle use – but the cost cannot simply be allocated according to distance from the depot.

Where a customer is located, and how easily their delivery can be incorporated into an efficient route, can have a significant impact on the cost and profitability of serving them.

The question is not simply "How far away is the customer?" but "What does it cost to serve that customer as part of the route?"

To assess this, FODs need to consider:

- Cost per route: driver, fuel and associated vehicle costs.

- Cost per drop: the cost of serving each customer, taking location and drop size into account.
- Contribution per driver hour
- Litres per mile
- Contribution per mile

Why does route density matter more than mileage?

There is no universal mileage threshold at which a customer becomes unprofitable.

Profitability depends on a combination of factors such as drop size, distance, driver time, route density, vehicle utilisation and price.

Route density measures how closely delivery stops and customers cluster together in a specific geographic area.

- High route density means short travel distances between delivery destinations
- Low route density means trucks spend more miles and time driving between locations.

Higher route density can:

- Improve vehicle and driver utilisation.
- Reduce fuel costs.
- Increase number of drops.
- Reduce vehicle wear, driver overtime, maintenance expenses, etc.

Route density is a commercial multiplier that directly impacts contribution.

- A tanker travelling 50 miles to deliver 900 litres is one thing.
- A tanker travelling those same 50 miles and delivering 7,000 litres across eight customers is quite another.

The mileage required to reach the area hasn't disappeared. More litres and more margin are now sharing its cost.

Are our remote customers genuinely expensive to serve – or have we simply failed to build sufficiently dense routes around them? FODs should assess their customer base to identify the following:

- Clustered village deliveries

- Semi-rural routes
- Remote individual properties

The cost to serve a location depends on whether a delivery can be combined with other nearby customers.

FODs may improve density by:

- Clustering/grouping orders
- Scheduling deliveries for neighbouring locations on the same days/delivery runs.
- Using smart mapping tools e.g. routing software (technology section below).

Let's use a very approximate but illustrative example to consider this:

For simplicity, this illustrative example assumes a £3-per-mile vehicle cost, a return journey from the depot and an equal allocation of the route cost across each delivery. It is intended to demonstrate the principle rather than represent an industry benchmark.

Customer A

900 litres

12 miles from depot

The furthest drop of a seven-drop route

Available margin/contribution before delivery cost: £72

Delivery cost per drop: £10.28

Contribution: £61.72

Customer B

900 litres

28 miles from depot

Only customer requiring the additional leg

Available margin/contribution before delivery cost: £72

Delivery cost per drop: £168

Contribution: -£96

Same litres. Same selling margin. Very different attributable delivery cost.

Now consider a third customer using the same assumptions:

Customer C

900 litres

30 miles from depot

One of eight customers clustered in the same village.

Available margin/contribution before delivery cost: £72

Delivery cost per drop: £22.50

Contribution: £49.50

Customer C is the most distant of the three, yet the attributable delivery cost is substantially lower than Customer B's because the cost is shared across eight drops.

The same-volume delivery delivers a very different contribution according to route density. The cost of reaching a remote area can be spread across multiple customers, whereas an isolated delivery bears a much greater share of the journey cost.

This demonstrates why the true cost of a remote delivery cannot be determined by distance alone: the route it forms part of can be just as important.

Key considerations:

- A remote customer isn't necessarily unprofitable if they can be incorporated into an efficient route.
- Whether a delivery prevents the completion of other, more profitable deliveries.
- A customer can appear profitable until the full route economics are considered.

Distance creates cost.
Density determines how
effectively that cost can be
shared.

Can technology change the equation?

Technology can reduce mileage, increase drops per journey, improve utilisation and reduce costly emergency/one-off deliveries.

Predict demand

- Telemetry
- Demand forecasting
 - Predict when customers will require deliveries based on historic usage

Build the route

- AI route optimisation
 - Automatically factor distance, tank levels, delivery windows, truck capacity, driver hours, etc.
- Cluster scheduling
 - Group geographically close customers into the same delivery run

Manage the journey

- Fleet telematics
 - Live GPS, vehicle location, driver behaviour, vehicle status, etc.
- Dynamic routing
 - Recalculate routes based on traffic, road restrictions, cancellations and new orders.

Commercial impact:

Better technology cannot make a remote customer geographically closer, but it can reduce the cost of serving them by increasing the number of profitable drops completed on the journey.

Environmental impact:

Minimised mileage and optimised tanker utilisation can reduce fuel consumption and associated emissions.

Should remote customers pay more?

Before asking whether a remote customer should pay more, establish whether they actually cost more to serve and if that cost can be reduced through improved routing.

As we have shown above, pricing should be based on a clear understanding of the underlying delivery economics. Knowledge of delivery cost is crucial to profitability.

Then there are effectively three outcomes:

1. The customer is remote but commercially viable
No pricing intervention may be necessary.
2. The customer becomes viable when grouped with others
Consider scheduled delivery days, automatic top-ups or minimum order quantities rather than charging more.
3. The customer genuinely costs materially more to serve
Consider recovering that cost through pricing.

Pricing options

• Delivery charges

Explicit charge for delivery, either as a fixed fee

or based on distance

Pros: Transparent pricing

Caveat: A delivery charge could make rural customers feel penalised and complicate price comparison.

• Flat pricing

Pros: Easy to manage

Simple to communicate to customers

Caveat: Cross-subsidises if delivery costs vary significantly

• Rural surcharges

Pros: Offset additional delivery costs

Can be applied outside a fixed radius to maintain fair charges

Caveat: Could affect customer relationships and competitiveness if customers are unwilling to pay extra

• Zonal pricing

Prices vary by geographic area/postcode

Pros: Allows FODs to reflect actual cost to serve
Covers rural delivery costs transparently while avoiding a 'rural surcharge'.

Caveat: Customer perception of unfair pricing if neighbouring customers receive different prices

• Minimum order / small-load premium

Rather than charging for distance alone, a higher minimum drop or small-load premium can help recover the cost where a remote delivery combines both low route density and low volume.

Customer impact

Before making any change to pricing FODs should consider:

- **Willingness to pay:** whether customers will accept additional delivery costs.
- **Communication:** how pricing changes and their rationale are explained.
- **Service expectations:** whether customers expect the same level of service regardless of location.
- **Competitive pressures:** how pricing compares with alternative suppliers, particularly in rural areas.

Summary

What have we learned?

- Distance creates cost, but distance alone does not determine profitability.
- Density matters. More customers and litres on a route allow the cost of reaching an area to be shared.
- Judge routes, not just customers. An

apparently profitable customer may consume disproportionate driver and vehicle capacity.

- Technology can change the economics by helping consolidate demand and reduce unnecessary mileage.
- Price the cost, not the postcode. Remote customers only need different treatment where the underlying economics justify it.

Review your route economics

1. Calculate

- Cost per route
- Drops per route
- Litres per route
- Miles per route
- Driver hours per route
- Contribution per route
- Contribution per driver hour
- Litres per mile
- Contribution per mile

Then identify which routes, rather than simply which customers, generate the strongest and weakest returns.

2. Compare:

- Dense versus dispersed routes
- Similar drop sizes at different distances
- Remote individuals versus remote clusters
- Planned versus emergency deliveries
- Current routing versus alternative delivery days/groupings

Then ask what changes if customers in the same area can be served together.

3. Decide

- If a remote route is profitable:
 - There may be no commercial reason to change it simply because the customers are geographically distant.
- If the route becomes profitable through greater density:
 - Consider designated delivery days, telemetry, automatic replenishment or customer scheduling to consolidate.
- If an individual delivery remains uneconomic:
 - Consider minimum orders, a delivery charge or location-sensitive pricing.
- If the route consumes disproportionate driver and vehicle capacity:

- Consider not only whether the delivery makes a positive contribution, but whether that capacity could generate a better return elsewhere.

THE BUSINESS QUESTION

Do we know which routes make us money – or are we assuming that a profitable customer always means a profitable delivery?

Over three articles, Delivering Insight has followed the economics of a litre from terminal to customer: how it reaches the depot, how much is delivered and, finally, where it is delivered.

Taken together, the three questions provide a framework for understanding the true cost of moving every litre through the business – from terminal gate to customer tank – and identifying where seemingly small efficiencies can make a significant difference to margin.

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Getting ready for winter: Truck Tyre checklist

AS EYES TURN TO THE WINTER SEASON, **SCOTT DALZIEL** OF YOKOHAMA HPT, CONSIDERS THE IMPORTANCE OF TRUCK TYRES IN WINTER AND SUGGESTS WAYS TO REDUCE WHOLE-LIFE TYRE COSTS AND KEEP YOUR FLEET MOVING.

Winter is the peak season for fuel distributors. Fleet vehicles are worked hardest when conditions are most hostile, which is why tyre policy should be implemented in the autumn, rather than on a hard shoulder in January.

Get ready

While there is no legal requirement for winter tyres in the UK or Ireland, specifying year-round regional tyres alongside tyre pressure monitoring systems (TPMS) and regular cold-pressure checks can maximise safety and tyre life and help maintain fuel economy.

Whole-life cost

Whole-life tyre cost can be separated into four components.

Fuel consumption: Tyres can account for up to a third of a truck's fuel consumption. On a vehicle consuming £25,000–£30,000 of diesel a year, small improvements in performance can quickly outweigh any price differential between a cheaper tyre and a premium offering.

Mileage: Tyre casing impacts lifetime mileage as much as tread does: a tyre that regrooves and retreads cleanly can earn its keep twice over.

Downtime: Roadside tyre failure on a loaded tanker can mean missed rounds, a driver out of hours, failed delivery and unhappy customers.

Purchase price: The only one which appears on an invoice, attracting disproportionate attention as a result.

Regular winter checks pay dividends

Industry reference figures indicate that a tyre under-inflated by 10% increases fuel cost by 1.5%, while 20% under-inflation can reduce a tyre's life by around 30%; In addition, an estimated 90% of blowouts can be traced back to under-inflation as a direct cause.

Cold weather exacerbates the problem. A tyre pressurised to 120psi at 20°C drops to around 111psi at 0°C – a loss of approximately 9psi, or 7%.

Add a slow leak, and the tyre is quickly into the 20%-under zone meaning costs can rise rapidly and unnecessarily. Pressures should be checked cold, regularly, with a calibrated gauge set to the manufacturer's load and inflation table for the loaded axle weight – and re-checked as the temperature falls, not just at the start of the season.

Two truck tyre drive axle mistakes to avoid

Twin tyres should be the same size and pattern, with tread depth within a few millimetres of each other and at equal pressures. A mismatch loads the taller tyre and wears both. Drive axle alignment matters as much as steer axle alignment, because a drive axle out of square drags the steer tyres.

A problem specific to tanker fleets is that the last mile of a heating-oil delivery is often off the asphalt: farm tracks, gravel drives, single-track lanes with soft verges and tight turns at full lock in customers' yards. Driver training on kerbing, dry steering at full lock and driving on verges can help save sidewalls and prolong tyre life.

Truck tyre selection

Fuel oil distribution is a specific duty cycle, with unique challenges.

SPECIAL FEATURE – WINTER READY

The load profile is lopsided: out at maximum weight and back empty, so pressures must be set for the loaded axle weights. Liquid loads move and surge under braking, and cornering puts lateral load through the steer axle, so steer tyres need a stiff, stable casing. Multi-drop work at low average speed runs tyres hotter and wears them faster per kilometre than a steady 56mph, and the drive axle does far more of the work.

Eighteen-tonne 4x2 rigids, 26-tonne 6x2 rigids with a tag or lift axle and artics on tri-axle trailers all wear tyres in different places – lift axles and tri-axle trailers scrub badly on tight turns, so those positions need a pattern designed for it.

The right tyre for a tanker is usually a regional or mixed-service pattern with a reinforced sidewall, a cut-and-chip-resistant compound and stone ejectors, rather than a long-haul, fuel-optimised design. The EU label's fuel grade is measured at steady state; on this type of work, robustness and wear rate move the pence per kilometre far more than one label class does. A casing built to be retreaded, and sizes standardised across the fleet wherever possible, complete the specification.

Tyre choice, wear rate, fuel efficiency and vehicle availability are linked. Choice sets the wear rate and the rolling resistance; pressure discipline protects both; fewer failures mean more available vehicles; and on a tanker fleet in winter, availability is capacity.

A practical checklist:

- **Tread depth** – a fleet policy minimum of 2.5–4mm, regrooving at that point where the tyre is marked regroovable. The legal minimum for vehicles over 3.5 tonnes is 1mm across the central three-quarters of the tread.



“ON A TANKER FLEET IN WINTER, AVAILABILITY IS CAPACITY.”

- **Daily driver walk-round** – check for cuts, bulges or exposed cord on both sidewalls (including the inside walls of twins), stones trapped between twins or drilled into the grooves. Ensure valve caps are fitted and wheel-nut indicators aligned.
- **Cold pressure checks** – regular, with a calibrated gauge, set to the load and inflation table for the loaded axle weight and re-set as temperatures fall.
- **TPMS** – check every sensor is reading and the alarm threshold is understood by drivers. Retrofit older vehicles and trailers.
- **Tyre age** – nothing 10 years old or more on a front axle (banned on HGVs since February 2021) with date codes legible; check tag axles, trailers and spares, where old tyres usually hide.
- **Three-Peak Mountain Snowflake** – confirm tyres carry the mark for winter work.
- **Twin matching on drive axles** – same size and pattern, tread depths within a few millimetres, equal pressures.
- **Wheel alignment** – checked ahead of winter and after any kerb strike.
- **Post-impact inspection** – any tyre that has taken a kerb strike, pothole or verge excursion inspected before the next round.

Winter can be particularly harsh on tyres. Road conditions can be increasingly demanding, and weather can change the characteristics of the tyre. Being prepared is key to keeping fleets moving.

Scott Dalziel was recently promoted to TBR Sales Manager UK & Ireland at premium tyre company Yokohama HPT. He has particular expertise in truck and bus tyres, delivering commercial tyre solutions to a growing portfolio of clients.

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Winter is when decarbonisation policies really get tested

MALCOLM FARROW, DIRECTOR OF MARKETING AND EXTERNAL AFFAIRS AT OFTEC.



After a summer of heatwaves, wildfires and advice on keeping cool, we'll all be quickly shifting to how we can keep ourselves warm during the colder months. It's this time every year, that we start to see households and businesses getting their heating system ready for winter.

Unfortunately, this winter is going to be particularly difficult with the backdrop of a persistent cost of living crisis. The approach people take will give us a key insight into whether the government's decarbonisation plans will work in practice, not just in policy papers and consultations.

Consumer behaviour in winter

When it comes to replacing or upgrading a heating system, the reality is many people do not plan in advance. A new boiler is often a distress purchase when the old system stops working during winter when it's forced to work its hardest. At this point, people want a solution that is as quick and affordable as possible. That's why a straightforward boiler replacement is so often chosen, in preference to a whole new setup such as a heat pump.

Switching to a heat pump is a significant decision and usually a one-way route. Building Regulations in England prevent a household from reverting to a liquid fuel boiler once a heat pump has been installed. It's therefore a decision that needs careful consideration – not one that can be made in a rush when there is a broken boiler and a cold home.

In a perfect world, decisions would be made during summer with more time and options. However, in the current economic climate, most people do not have this luxury. This is important context in decarbonisation discussions. The government's current approach for households to switch to a heat pump is often discussed in a vacuum, ignoring consumer behaviour. For decarbonisation

policies to be successful, they have to recognise what happens in the real world.

Solutions for community buildings

The decarbonisation challenge doesn't just apply to homes. Village halls, churches and pubs also see heavy use over winter. In rural communities, these buildings are often older with limited insulation. They may also be listed or have other limitations on adaptations. More importantly, they have very small budgets and are typically run by volunteers or small committees. A substantial financial cost and administrative burden make it unrealistic for these buildings to switch to an alternative heating system.

That's why, as we've seen in Kehelland as part of the demonstration project, a drop-in renewable liquid fuel such as HVO is the ideal solution. It enables them to cut their emissions within the system they already rely on, with no disruption and no significant upfront cost. Keeping the village hall, church or local pub open and affordably heated through winter is vital. They are community spaces with many used for people to escape their cold home. Any decarbonisation strategy needs to ensure that the solutions put forward are viable for these buildings too, not just homes.

A difficult winter ahead

There's no getting away from the fact that this winter is going to be difficult. With household finances already tight, the ongoing Middle East conflict has further driven up food and energy prices. The reality is households and businesses will be operating on very tight budgets this winter.

That's why, right now, the main focus must be on helping people keep warm and minimising their expenditure, rather than trying to drive forward a decarbonisation agenda purely based on technology. Even if

you tried, consumer behaviour would hold back any chance of significant progress. Any funding government and households have should be prioritised where it's most needed - insulation, boiler servicing, draught proofing and heating support payments.

Maximising carbon reduction over winter

That's not to say that we should completely abandon decarbonisation over winter. The cold months are naturally when emissions from heating are at their highest with increased usage. It's therefore the biggest opportunity during the year to drastically reduce emissions. But we need to be pragmatic and recognise the challenging situation we find ourselves in.

This winter, the UK's 1.7 million oil heated homes will be using kerosene. A large-scale switch to heat pumps to cut emissions is unrealistic due to the high upfront cost and disruption we have discussed. However, there is another approach

Switching the fuel in an existing boiler can deliver immediate carbon savings. Households won't notice any changes day-to-day as a 20% HVO blend works in the existing boiler without modification. This completely removes any upfront cost, keeps households warm and drastically reduces carbon emissions. What's needed is for the government to implement policy support to make this fuel widely available at an affordable price. Unfortunately, every year so far, the government has missed the opportunity to take action.

Decarbonisation policy cannot ignore the way people behave and how the heating market operates during winter. That's why it's the real test of whether proposed solutions will succeed. It's becoming increasingly clear that net zero policies need to prioritise minimising upfront cost and disruption for the household. Let's hope we're not having the same conversation this time next year.

What the shift to HVO and future fuels means for existing fuel infrastructure



André Godinho

The conversation around HVO has been building for years. Net zero ambitions, the Renewable Transport Fuel Obligation and demand from operators looking for a lower-carbon, drop-in alternative to diesel are all contributing to growing interest in the fuel.

For fuel distributors, however, the question is not simply whether customers will want HVO. It is also what a changing fuel mix means for the infrastructure already used to receive, store, load and deliver product.

What makes HVO attractive is also what makes the infrastructure question easy to overlook. With its similarity to mineral diesel in use, it can be tempting to assume that introducing it into an existing distribution operation will be equally straightforward.

In many cases, much of the infrastructure may indeed remain perfectly serviceable. But that does not mean the transition should happen without careful consideration.

André Godinho, Product Marketing Manager at fuel infrastructure specialist Berrys Technologies Limited, considers what the move to future fuels means for existing fuel infrastructure

HVO as a fuel in transition

Hydrotreated Vegetable Oil is a paraffinic diesel produced from renewable feedstocks including used cooking oil, animal fats and agricultural residues.

Unlike FAME biodiesel, it is a pure hydrocarbon and does not carry the same water absorption characteristics. It also offers good storage properties and lower particulate emissions.

For operators looking for a drop-in replacement for mineral diesel, those characteristics make a compelling case for HVO in certain applications.

But, from a distributor perspective, HVO is also useful as an early example of a much broader consideration.

The fuel mix is changing. As distributors respond to demand for HVO and potentially other products in future, the infrastructure that has traditionally been configured around a relatively limited number of fuels may be

required to accommodate greater diversity.

The question therefore becomes not simply: Can our existing infrastructure handle HVO?

It is: How adaptable is our infrastructure as the products we handle continue to evolve?

Adapt rather than replace

There can be an assumption that preparing for alternative fuels means wholesale replacement of existing infrastructure.

That is not necessarily the case.

A significant proportion of existing depot infrastructure can potentially be assessed, cleaned and adapted for new fuel types without starting from scratch. The same applies to forecourt sites. Tank integrity, pipework condition, containment systems and fill and vent arrangements can all be reviewed against the requirements of the product being introduced.

For many distributors, targeted upgrades may prove both technically appropriate and commercially preferable to major replacement programmes.

The important point is not to assume either that existing equipment must be replaced or that it will automatically be suitable. The starting point is understanding what is already there.

Depots that have operated successfully for many years may have perfectly serviceable

assets, but the suitability of those assets for a changing product mix cannot be established without proper assessment.

Looking across the distribution chain

The transition to new fuels does not remove operational risk – in some respects it introduces new considerations.

For a fuel distributor, infrastructure extends well beyond the storage tank.

The journey starts with access to product and the arrangements for receiving or collecting it, continues through depot storage and loading, and ends with the tanker fleet delivering it to the customer.

Introducing an additional fuel therefore needs to be considered across that whole chain.

At depot level, tanks, pipework, fill points, vents and containment all require consideration. HVO has different solvent characteristics from standard diesel and, while many modern materials are compatible, older components – including some flexible connectors and seals – may require closer examination.

There is no universal answer. Suitability needs to be assessed site by site.

Where additional capacity is required, above-ground storage can also be considered alongside existing underground arrangements.



Above_Ground_1 & 2 - A tank top chamber on an above-ground storage installation. Above-ground systems offer greater flexibility as fuel specifications evolve over the coming decade.



Pipework_PLX_1 - PLX pipework runs and tank chambers in place at a UK forecourt development, prior to backfill. Much of what determines a site's readiness for new fuel grades sits below ground.



Pipework_PLX_2 - An offset fill arrangement under construction, with PLX pipework runs in position. Fill and vent arrangements are among the first items reviewed when assessing a site for HVO.

For businesses uncertain about how future demand will develop, the ability to add or adapt capacity may offer useful operational flexibility.

The same broader thinking applies beyond the depot.

A distributor introducing another product also needs to consider how it will move through its loading and delivery operation and how effectively different products can be identified and kept separate.

Product integrity becomes increasingly important

As the range of fuels being handled increases, so too does the importance of product identification and procedures designed to prevent cross-contamination and mis-delivery.

A tanker may deliver HVO on one journey and mineral diesel on another. The more products moving through a distribution operation, the greater the need for clarity over what is being loaded, transported and delivered.

For distributors, that makes product integrity an issue across the complete operation rather than simply at the storage tank.

It means considering how products are allocated within the fleet, how deliveries are managed and how clearly the fuel is identified throughout the process.

Labelling is an important part of that picture. Appropriate product identification supports regulatory compliance, but it also reduces operational risk by helping ensure that the correct product reaches the correct customer.

As fuel diversity grows, seemingly simple disciplines around identification and handling become increasingly important.

Building flexibility into investment decisions

There is also a commercial question.

Few distributors can justify rebuilding infrastructure every time the fuel mix changes. Nor would that necessarily be the best use of capital.

The challenge is therefore to make investment decisions that meet today's needs without unnecessarily restricting tomorrow's choices.

For a distributor considering HVO, that might mean assessing whether existing capacity can be converted, whether additional storage would be more appropriate or whether retaining flexibility between products has greater long-term value.

There will not be one answer that suits every business.

Demand profile, existing assets, available space and the range of products handled will all influence the decision. What matters is that infrastructure investment is considered strategically rather than reactively.

Retrofit, undertaken following proper assessment, is not necessarily a compromise. In many cases it may be the more intelligent investment.

A distributor that understands the condition and capability of its existing assets is better placed to decide where expenditure is genuinely required – and where existing infrastructure can continue to earn its keep.

Start by understanding what you have

The practical starting point is a structured infrastructure review.

That means looking beyond a routine visual inspection and establishing the condition and specification of tanks, pipework, containment, fill and vent arrangements and associated infrastructure.

For long-established depots, some assets may have been in service for decades. An assessment may confirm that they remain suitable. It may also highlight components that

should be addressed before a new product is introduced.

Either outcome provides something valuable: information on which to base the next investment decision.

It also shifts infrastructure management away from waiting for equipment to fail and towards understanding what assets are capable of supporting as the business evolves.

Preparing for more than HVO

Perhaps the most important point is that HVO is unlikely to be the final infrastructure question facing fuel distributors.

It represents one stage in a broader transition in which businesses may be required to handle a changing range of fuels, specifications and customer requirements.

That makes flexibility increasingly valuable.

The distributors best positioned for that transition may not necessarily be those with the newest infrastructure. They may instead be those that understand their existing assets, know where their limitations lie and invest selectively to preserve options for the future.

Tanks, pipework, loading equipment and delivery fleets rarely make the headlines. But they determine how readily a distributor can respond when the market changes.

The fuel transition therefore makes infrastructure more than something to maintain.

It makes it a strategic asset.

André Godinho is Product Marketing Manager at Berrys Technologies Limited, a Birmingham-based supplier of fuel infrastructure solutions. With over 15 years of experience across the fuel and energy sectors, he works with operators across the UK and internationally on infrastructure specification, product development, and market strategy.

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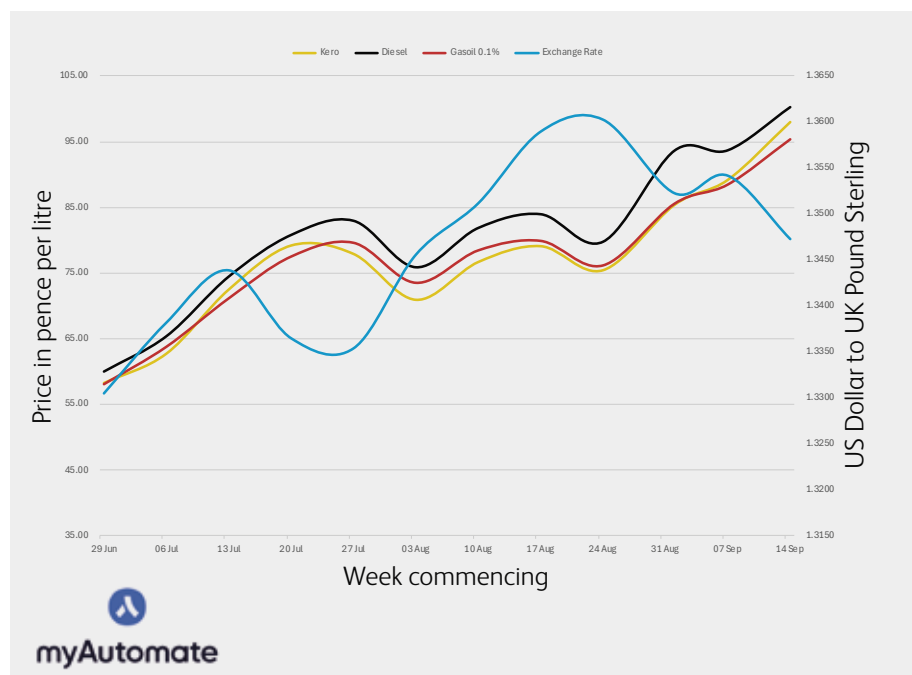
15 of the Top 20 - Based on the 'Top Fuel Oil Distributors' table
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320 / 500 UK depots - UKIFDA states there are approximately 500
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Wholesale Price Movements: 21st August 2026 – 16th September 2026

	Kerosene	Diesel	Gasoil 0.1%
Average price	84.33	89.27	84.10
Average daily change	2.15	2.33	2.15
Current duty	0.00	52.95	6.48
Total	0.00	142.22	90.58

All prices in pence per litre



Highest price 100.90 Tue 15 Sep 26	Biggest up day +7.21 Tue 01 Sep 26
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Kerosene	
Lowest price 74.58 Tue 25 Aug 26	Biggest down day -3.99 Mon 24 Aug 26

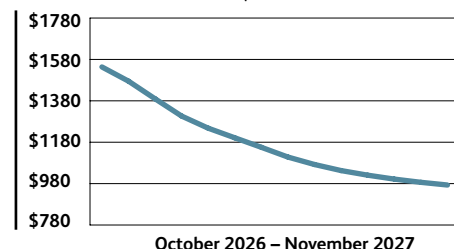
Highest price 102.89 Tue 15 Sep 26	Biggest up day +8.81 Tue 01 Sep 26
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Diesel	
Lowest price 78.42 Thu 27 Aug 26	Biggest down day -3.21 Mon 07 Sep 26

Highest price 97.49 Tue 15 Sep 26	Biggest up day +7.40 Tue 01 Sep 26
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Gasoil 0.1%	
Lowest price 74.64 Thu 27 Aug 26	Biggest down day -3.94 Mon 24 Aug 26

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	88.74	96.34	148.74	101.17	102.93	154.56
North East	87.69	94.97	147.82	105.13	101.16	152.11
North West	89.26	97.57	150.21	101.15	103.28	154.02
Midlands	87.76	95.50	148.28	99.53	101.58	152.94
South East	87.86	95.46	148.26	112.13	106.07	152.30
South West	88.21	95.30	148.10	103.82	101.38	151.79
N. Ireland	88.32	96.67	n/a	99.84	104.07	n/a
Republic Of Ireland	102.08	102.10	149.68	111.58	108.14	154.42
Portland	86.07	93.02	144.97			

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

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