

## DOWNSTREAM

**ANNUAL REVIEW:**

A comprehensive rundown of the FPS' activities over the past year, with contributions from **President Jodie Allen, CEO Guy Pulham and PR Advisor Stephanie Freeman**

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**CLEAN AIR ZONES:**

What they are – and what they mean for you

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WELCOME TO THE EXPO



# FPS EXPO

## REVIEW

2019

**Full coverage** covering the highlights over both days, plus an inside look at the event from **FPS Membership and Events Manager Dawn Shakespeare**

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A publication by the  
Federation of Petroleum Suppliers



## FPS responds to Committee on Climate Change Net Zero report

*The FPS has published its response to the CCC's report on the net zero decarbonisation target*

The Federation of Petroleum Suppliers (FPS) has published its response to the Committee on Climate Change (CCC)'s publication of its report on proposed UK targets for decarbonisation in the short- to medium-term – the Net Zero report.

The report calls for a target of net zero CO<sub>2</sub>-equivalent emissions UK-wide by 2050, a goal it describes as “necessary, feasible and cost-effective.” It also recommends goals of net zero in Scotland by 2045, due to Scotland's greater capacity to implement carbon offsetting measures (largely in the form of large-scale afforestation), and 95 per cent decarbonisation in Wales by 2050.

The FPS has welcomed the report, noting the many areas of overlap between the Commission's goals and recommendations and the FPS' own future vision

**The FPS position is that any serious effort to decarbonise heating in the UK will require support from government and partnership with industry. This aligns with many of the proposals in the CCC report.**

(detailed elsewhere in this issue of *Downstream*). In particular, the FPS noted the sections of the CCC's report which call for greater development of synthetic liquid fuels and hybrid heating solutions for off-grid homes.

In its response, the FPS also highlights the importance of accurate data on energy solutions being made available to consumers, stating that: “solutions will be different for each home and may be potentially more difficult in rural, older properties. Our members have relationships with 1.5m households across the UK and are keen to play a part in that education.”

The FPS position is that any serious effort to decarbonise heating in the UK will require support from government and partnership with industry. This aligns with many of the proposals in the CCC report, which emphasises the urgency with which action is required from the UK government in the form of broad and fast-acting policy measures and significant investment in the new technologies and infrastructure necessary for the UK to decarbonise within the timeframe set out in the Paris agreements.

The CCC report also highlights the importance of a just transition, which does not overly disadvantage any one group and which does not overlook the most vulnerable groups and individuals. This aligns with FPS initiatives such as the Cold Weather Priority, which focuses on making sure that elderly consumers are prioritised during the winter

## Clean Growth Future Vision May 2019

*Our members will contribute to the long-term decarbonisation of the energy mix.*



“The FPS has welcomed the report, noting the many areas of overlap between the Commission's goals and recommendations and the FPS' own future vision.”

months, and with the FPS *Future Vision* document, which calls for Government to ensure that vulnerable groups of off-grid consumers are safeguarded during the process of decarbonisation.

The FPS response states that: “What we need now is a supportive and timely response from the UK Government to this ambitious target, so businesses and the public can get on with reaching it. Government should set the right legal and policy framework to enable industry to invest and innovate.... We remain committed to the ambitions of the CCC report and would welcome direct conversation with the Committee on some of the points raised and to discuss how we, and our Members, can support the energy transition.”

**FPS Annual Review**  
Pages 25-44

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# Ireland Regional Meeting and Steering Group Updates

A report back from the FPS' recent regional meeting in Portlaoise.

The Irish Regional took place in Portlaoise on Thursday 13 June. The meeting was sponsored by Fuel Prices Online and we would like to thank Basil Shrourou for his kind gesture. We would also like to thank David Beggy of Dipetane who presented at the meeting and outlined the benefits of the products in terms of emissions and performance. Please contact David via their website [dipetane.com](http://dipetane.com) for any further information.

Following the acceptance of the last minutes, Guy Pulham told the meeting of the recent changes in the Articles of Association and explained the timeline for the change of name. From 1 August FPS will be known as UKIFDA (United Kingdom and Ireland Fuel Distributors Association). Guy also reported that while the full membership fees in the UK will change to take turnover into account, there would be no increase in full membership rates in Ireland. Associate member fees would increase by two per cent for next year.

Dawn Shakespeare then spent some time reflecting on the range of member benefits, as there were some non-members in the audience who had been encouraged to attend through their Fuels Prices Online subscription. Dawn spoke about the changes to the website, as going forward there will be one website for members rather than the proliferation we currently have covering the show, the Members area, Oilsave, etc. She also told the meeting that FPS are now registered as lobbyists in Ireland, which will bring the work done by FPS to a greater audience.

Following Tony Brown's technical report, which covered Brexit, HSA, risk assessment and tank safety, Nick Hayes updated the room on the work that FPS have been doing with Chartered Institute of Logistics and Transport (CILT). There had been reports that a reduced length Class 3 ADR course (bringing Ireland in line with other European Countries) would soon be available. We will keep you posted on this exciting development. Concluding the technical aspect of the meeting,

Guy outlined the new tank/delivery standards that would be written into the UKIFDA Code of Practice. A first-class UKIFDA Member would ensure that drivers undertake a visual check of the tank prior to delivery and complete the necessary checklists either in cab or on delivery paperwork, annotating any issues or problems.

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Nicholas and Guy then spent some time covering the *National Energy Climate Plan* (NECP) in Ireland and Clean Growth Strategy (CGS) in the UK. Attendees were updated on the work that FPS have undertaken in lobbying both governments including contacting TDs, the chair of the Climate Change Committee and two letters to Minister Bruton requesting a meeting.



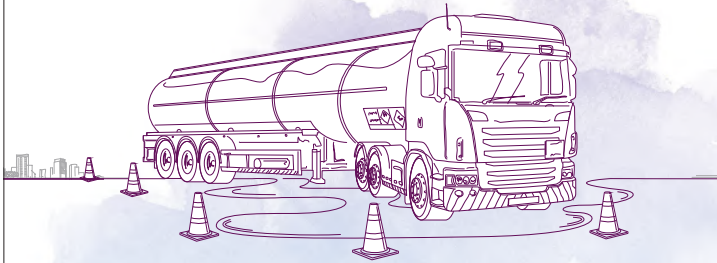
The FPS agrees with and supports the principles of decarbonisation, clean growth and clean air, but believes that liquid fuels should play a big part, which the Irish Government do not seem to accept at present.

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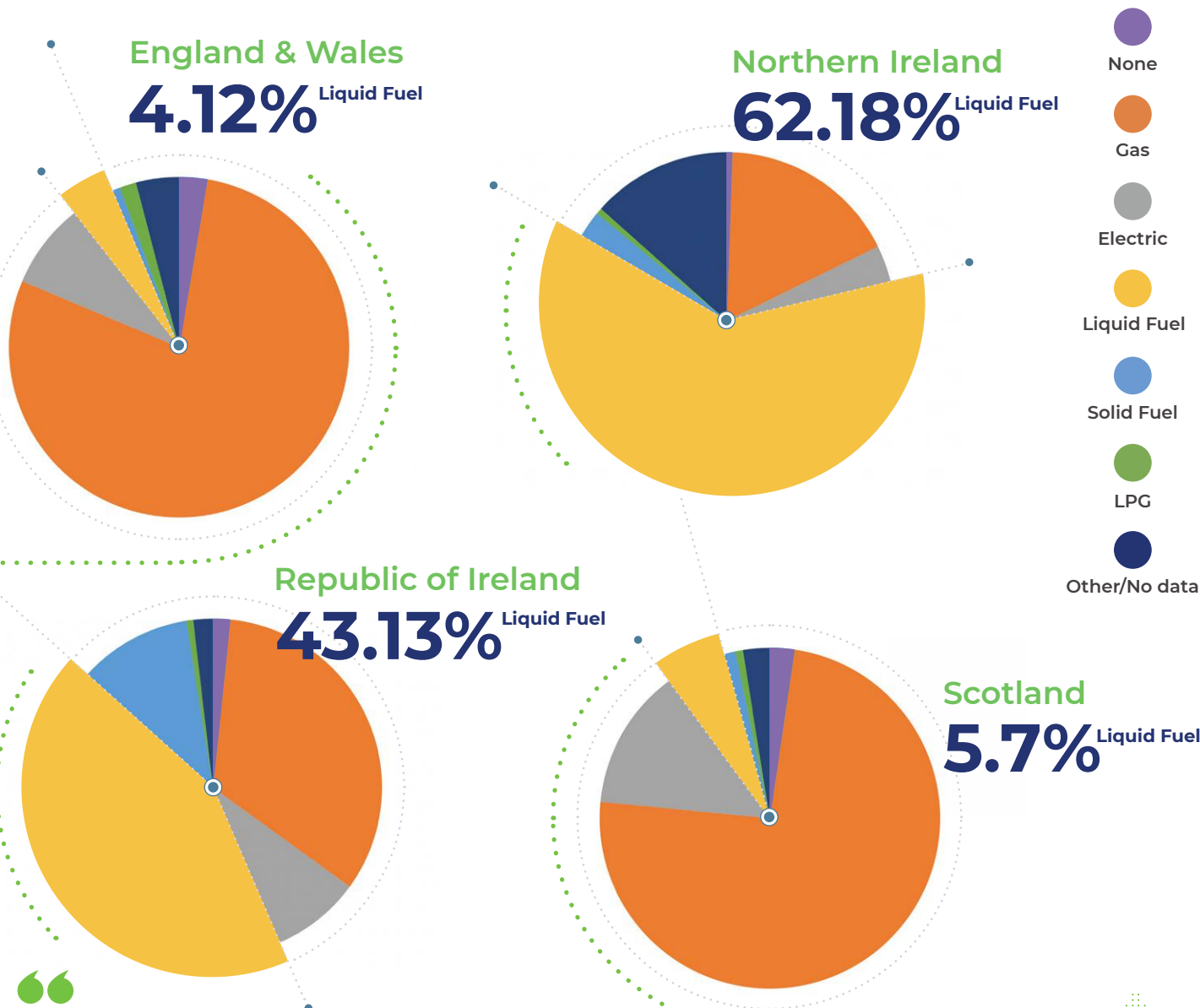
A new Industry Steering Group has been formed alongside IPIA, OFTEC and tank and boiler manufacturers. (This group met the day after the Regional Meeting to discuss progress and plans of action with government and other associated groups to ensure that biofuels are seen as part of the solution. The recently published *Climate Action Plan* clearly earmarks one technology as a solution when electrification and associated retrofits will not suit the rural, older properties using oil for heating.)

The FPS agrees with and supports the principles of decarbonisation, clean growth and clean air, but believes that liquid fuels should play a big part, which the Irish Government do not seem to accept at present. The FPS will work with industry trade associations to argue for the inclusion of biofuels and try to agree a pathway for liquid fuels with government that will decrease the fossil fuel content of fuel and thereby reduce carbon emissions. ■



# UK & Ireland Household Data

## Overall Heating Source % of Households



“ 64% of people living in Ireland live in rural towns or the countryside. ”

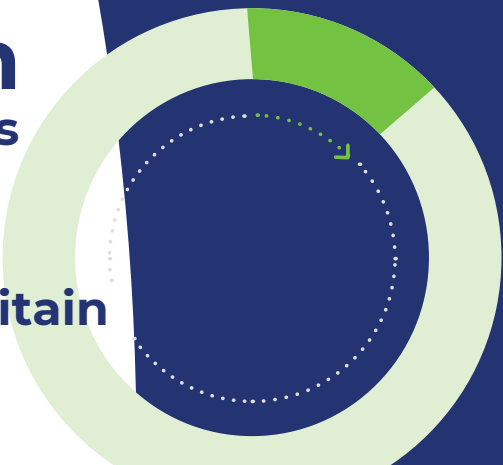
**1.5 million households**  
in the UK rely on liquid fuel for their heating



Data sources for this section include DUKES (Digest of UK Energy Statistics), Devolved Housing Surveys, Central Statistics Office Ireland, www.gov.uk and Portland Analytics.

## Households Connected to National Gas Network

**Off-grid** **3.5 million**  
off-grid homes  
representing around **13%**  
of Great Britain



### National Gas Network Breakdown Great Britain

No. Domestic Gas Meters	No. Households	Estimated No. Not Connected	Estimated No. Not Connected (%)	Estimated No. Connected	Estimated No. Connected (%)
23,915,000	26,867,000	3,503,000	13%	23,364,000	87%

“ The reliance on liquid fuels for heating in Ireland is obvious. However, it is worth noting that around 33 per cent of the off-grid homes in Great Britain rely on liquid fuels. ”

### Heating Oil Breakdown by region

Region	No. of Homes
England	848,145
Wales	113,984
Scotland	135,223
Northern Ireland	437,269
Republic of Ireland	686,000
Total	2,220,621

**686,000**  
**households**

in Ireland rely on liquid fuel  
for their heating

# FPS EXPO 2019

## On the Ground Floor at EXPO

*Downstream reports back from the fuel distribution event of the year*

Once again, the FPS EXPO has proven a success, with distributors, suppliers and other stakeholders from across the UK and beyond in attendance for the event of the fuels distribution industry calendar!

Highlights this year included the new Renewables area, a section of the EXPO floor dedicated to renewables-focused and other green organisations. In line with the changes facing the industry as a whole, it was a priority for the FPS to open up the EXPO to other participants in fuel distribution and heating who can help support the industry's overall efforts to decarbonise, so it was great to see the enthusiasm on display for green and renewable activities in the sector.

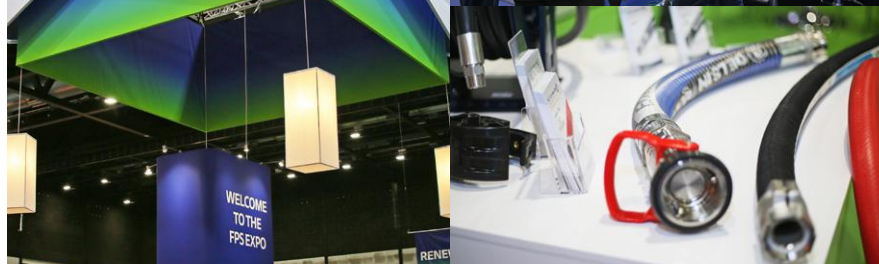


**This is the place people have in their diary to come to every year.**

**Peter Hughes**, Tip Tanker Services & Williams Tanker Services



Some of the other attractions this year included a rugby conversion challenge (which the *Downstream* team didn't approach, not wanting to show anybody up), a food and drink area (the pizza turned out to be especially popular) and some standout trade stands (more details on those later in the article).



### Thought Leadership for the Industry

This year also saw the introduction of a two-day series of panel sessions, showcasing expert comment and insightful discussion on an array of critical topics for the industry (moderated by former *Downstream* Editor Chris Parker). The first session, which covered the UK supply chain, saw an in-depth discussion of crucial matters relating to the overall logistics of distribution in the UK, with Peter Davidson of the Tank Storage Association, James Spencer of Portland Fuel and Stephen Marcos-Jones of UKPIA taking part in the session.



The session covered a significant amount of ground, including a big-picture look at the industry and its future – the participants pointed out the difficulty of bringing in new blood given the challenges to building a long-term career in the sector, such as environmental policy, changes and trends in technology and uncertainty around Brexit. However, the participants also agreed that the challenges presented a “massive opportunity”, and that it was an exciting time for the industry.

One of the other key sessions was a comprehensive discussion of issues relating to fuel distribution in Ireland, which highlighted the unique nature of the Irish home heating sector and the specific challenges posed by the Irish government's move to decarbonisation in a country with the highest rates of oil usage for home heating in Europe, with even higher rates of usage among rural homes.



**Discussing Irish government policy... panellists highlighted the disconnect between policymakers' aspirations and the reality**

Participating in the session on Irish issues were Nick Hayes of the FPS, Kevin McPartlan of the Irish Petroleum Industry Association and David Blevings of the Northern Ireland Oil Federation, all of whom stressed the unique nature of the Irish home heating market. Discussing Irish government policy on energy and climate change, the panellists highlighted the disconnect between policymakers' aspirations and the reality of much of the housing stock, which is generally unsuitable for the types of retrofits that would be necessary for a full energy transition. Kevin argued that it is dangerous when “unrealistic points become consensus”, describing decarbonisation as an “ideological, philosophical assault”.

Maybe unsurprisingly, the topic of decarbonisation was a major point in several sessions, including the Clean Growth panel which saw a discussion between Guy Pulham, George Webb of Liquid Gas UK and Paul Rose of OFTEC. The session highlighted the opportunities in a collaborative approach to a clean economy and some of the obstacles in treating industry as an adversary, while also laying out some of the principles behind the FPS' own Future Vision (covered on pages 54-55 in this issue of *Downstream*).

Similarly, during the discussion of the UK government's Road to Zero plan for the decarbonisation of road transport, participants stressed that while decarbonisation is a shared goal for the public, government and industry, the liquid fuels distribution sector needs to be treated as a partner rather than an adversary for any lasting solution.



Other sessions included a discussion of the role and benefits

of the FPS council, an update on transport and training legislation for drivers, and a discussion of new technology and the impact it may have on the sector. (A full list of sessions and participants is included in the Spring issue of *Downstream*.)

## UK Government should take a “war footing” against climate change, says IPRR

The UK Government should be put on a “war footing” to combat climate change, according to the Institute for Public Policy Research (IPRR).

The call comes from the IPPR’s Environmental Justice Commission, a cross-party group of politicians, academics, activists, and figures from business, trade unions and civil society who have joined to achieve a roadmap for a rapid transition to a green economy.

The group’s Co-Chairs include Labour MP Ed Miliband, Green Party MP Caroline Lucas and former Conservative MP Laura Sandys. The group has called for a Green New Deal for the UK, in line with similar efforts in the US and calls for action from groups such as Extinction Rebellion and the Sunrise Movement.

The commission has set out its commitments to establishing practical goals to avoid catastrophic global temperature increases, achieving net zero carbon emissions in a way that maintains economic and social fairness and reassessing the UK’s global environmental responsibilities.



Ed Miliband MP stated that: “We face a climate emergency. Climate change is the biggest threat to our economic and social wellbeing, and to our national security. Politics needs to be on a war footing to deal with this enemy but too often it sends the message that business as usual will do.”

“We need a revolution in political leadership; the problem we face is not just climate denial but climate appeasement. This commission brings together people from all walks of life, generations and political parties to bring about the solutions we need.”

“It is time to put economic and social justice at the heart of the environmental cause. Our work will show how we should deploy all the resources of government to deliver a Green New Deal for the UK, putting our country to work on tackling this threat.”

## UK to track pollutants from space, using satellites

The UK has launched a collaborative program for infrared detectors to help improve short-term weather forecasting, as well as tracking pollutants from space.

The Infrared Atmospheric Sounding Interferometer New Generation (IASI-NG) device is a joint project between the space agencies of France and the UK, as well as Airbus Defense & Space and Leonardo. The first flight is set for 2022, with the device to be installed aboard the European satellite MetOp-SG-A.

“The UK space sector is an export success story, generating a third of its income from international trade and creating growth and jobs across the country.”

The forecasting device will be able to measure and analyse water vapour profiles and differential temperatures in the atmosphere.

Dr Graham Turnock, CEO of the UK Space Agency said: “The UK space sector is an export success story, generating a third of its income from international trade and creating growth and jobs across the country.”

“As this programme demonstrates, the strong working relationship between the British and French space industry is successfully turning future technology into reality.”

## Drax unveils collaborative project to develop UK’s first zero-carbon region

The Humber could become the UK’s first zero-carbon region and a pioneer for hydrogen production and carbon capture and storage technology under plans unveiled by Drax, Equinor and National Grid.

The three firms have signed a memorandum of understanding (MoU) to explore the potential for what they claim would be the country’s first “zero-carbon cluster” in the form of a large-scale hydrogen production facility and carbon capture, usage and storage (CCUS) network.

According to Drax, the project will involve scaling up their existing Bioenergy CCS (BECCS) pilot scheme in North Yorkshire, an attempt to build the world’s first carbon-negative power plant, which is currently capturing a tonne of CO<sub>2</sub> per day. Drax will also explore the potential development of a hydrogen demonstrator in the site.

Drax Group CEO Will Gardiner said: “The Committee on Climate Change was clear – the UK needs both bioenergy with CCS and hydrogen production at scale by 2030 to achieve a ‘net zero’ carbon economy.”



This partnership is committed to meeting this challenge putting Great Britain at the heart of the global energy revolution.

“With Drax’s carbon negative power station, the Humber region could lead the world in new technologies that can deliver for the climate and the economy, helping to create a cleaner environment for future generations whilst creating new jobs and export opportunities for British businesses.”

## Urgent action required to combat “dramatic” lack of energy access worldwide, per report

The energy sector needs to take “urgent action” to improve support for vulnerable customers, according to a report from the Commission for Customers in Vulnerable Circumstances, an independent commission established in February 2018 by Energy UK.

The report highlights that while isolated examples of good practice exist in places across the industry, the sector is consistently failing to identify vulnerable customers and meet their needs, and calls for all energy companies, regulators and government, as well as price comparison websites, consumer groups and charities to improve their identification of and assistance for customers in difficult circumstances.

The group, which consists of five commissioners from the business, charity and consumer advice sectors, calls for the implementation of

an independently monitored Code of Conduct for suppliers, for “systematic training” for all frontline staff, and for industry to raise the profile of the Priority Services Register, a free service available to customers in need, saying that suppliers need to provide different contact methods to ensure they are accessible to all customers, including those who may not have access to modern technology, for example.

Chair of the Commission Lord Whitty stated: “Nobody likes to think of themselves as ‘vulnerable’ but any one of us could become vulnerable in a heartbeat.”

“Vulnerability and the need for support is not just a question of customers struggling to pay bills but of individuals and households facing a wide range of difficulties – any of which can make the requirements of day-to-day living a challenge.”

