

MARINE  
FUEL SPECIALTIES  
Enhancing your fleet performance

# INNOSPEC MARINE FUEL WATCH

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## Refinery View – Meeting 2020 Demand

**Despite the 2020 decision for a global sulphur cap of 0.5% now being in place, the refining sector remains uncertain on how it will respond in fulfilling the demand for compliant bunkers.**

It is anticipated that the overnight demand shift from residual fuels to distillate fuels will require 195 million tons of compliant fuel, in place of 205 million tons of high sulphur residual fuel today.

Refinery economics will dictate if and how the industry will make these compliant fuels available and it should be noted that the regulation itself gives them no obligation. In fact, the vast majority of refineries see other transport fuels such as gasoline, jet and diesel as strategically more important, and actually have the opportunity now to opt out of marine fuel production altogether.

There is a great deal of uncertainty in how demand and price volatility will play out in the intervening years and the impact of scrubbers and alternative fuels such as LNG may have. Plus, it is expected that in many cases, non-compliance could potentially be common, in the absence at the moment, of a clear enforcement strategy.

If the refining industry were to attempt to respond, severe strains on all global fuels markets can be expected, pre and post 2020. Approval and investment in refinery plants to increase distillate output via hydrogen and sulphur recovery, costing as much as \$100m, would already be in place at refineries. However, it seems it is not, and if one were approved today, it could not be expected to be on-line within 5 years.

For refiners who today actively produce high sulphur HFO for marine application, the uncertainty is higher still, in that they must consider how they can deal with the surplus volumes of this grade. They may consider to invest in coking plants and cease producing fuel oil altogether, converting all to distillate and gasoline.

Undoubtedly new fuels will emerge in

the market, being untried and untested 0.5% sulphur “hybrid” fuels. History has shown the maritime industry may be slow to accept these, and could choose to comply initially by sticking with accepted 0.1% fuels.

As we know, although there is now a firm line in the sand, for ship operators the uncertainty is no less.

## Looking After Your Life Boat Fuels

**In addition to regular application to a vessels main bunker fuel, Innospec’s market leading, Octamar™ fuel additives are being regularly applied to fuels in life boats, and other emergency equipment. And here’s why.....**

The prospect of emergency equipment not functioning during an emergency situation, is a very real and daunting one, and neglect to consider the quality of the fuels used could prove deadly.

As per ISO8217, DMX grade fuel is typically associated with emergency equipment, having a higher cetane, lower density and better cold flow properties. However DMX is hard to come by and therefore normal DMA grade MGO is typically used in this application.

DMA is prone to aging through oxidation stability, and produces gums and sediments which will block filters.

The cold flow properties of DMA are also a concern, the pour point being within specification and yet the fuel blocks the filters at a considerably higher temperature. This is due to the CFPP (cold filter plugging point) being too high.

Octamar™ LI-5 Plus is a multifunctional



additive which contains a stabilizer to drastically slow the complex aging process in MGO. Octamar™ Winter is a cold flow improver which will reduce CFPP and Pour point by >10°C.

Both products have been independently verified by Lloyds Register to assure performance, and available throughout the network in 25 litre pails.

As per SOLAS regulations, engines used in emergency equipment should be tested on a weekly basis. But please remember, they are typically operated for only a few minutes, and critically, the filter blocking issues mentioned may take a little more time to manifest.

Don't compromise safety and fleet integrity. Assure your fuel quality, with Octamar™.



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