Biofuels – The Supply Chain

Gleaner oil and gas

Gleaner oil and gas

Gleaner Oils – who are we?

- Shell ‘All Product Distributor’ for Highlands, Argyll and the Islands
- 2006 Turnover £100 million
- Activities include:

  - Oil and Petroleum (transport, domestic, agriculture, industrial,marine,etc.)

  - Filling Stations

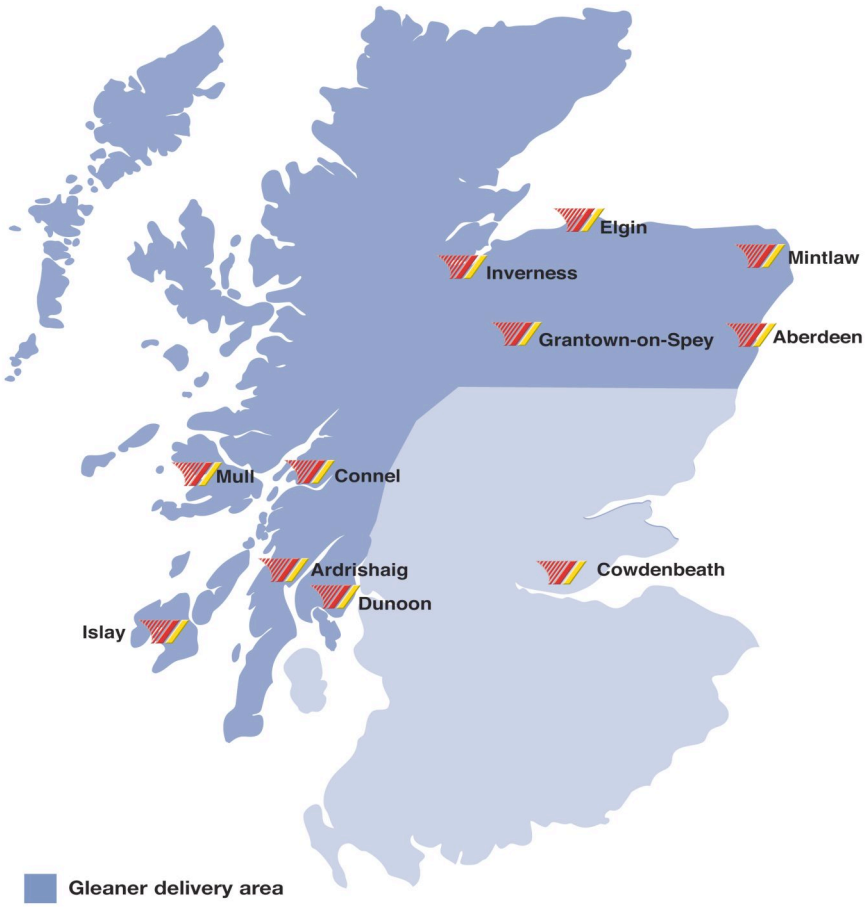
  - LPG

  - Boiler maintenance

Business Activities – Oil and Petroleum

- In 2006 Gleaner delivered over 150 000 000 litres of oil
- 12000 customers benefited
- Areas supplied in Scotland include North East, North, Highlands and Islands and the West Coast
- Like to be thought of as an energy provider

Gleaner oil and gas



Green Credentials

- We appreciate the environment in which we work in.
- Accept people need fuel, but look for alternatives
- Environmental Policy
- BS7750 status granted in 1994 – the forerunner to ISO 14001
- Aim to stay ahead of both legislation and best practice

Why

1. The correct thing to do. Our business is about servicing the rural communities

2. By following such criteria we improve business efficiency and maximise profit as a commercial organisation

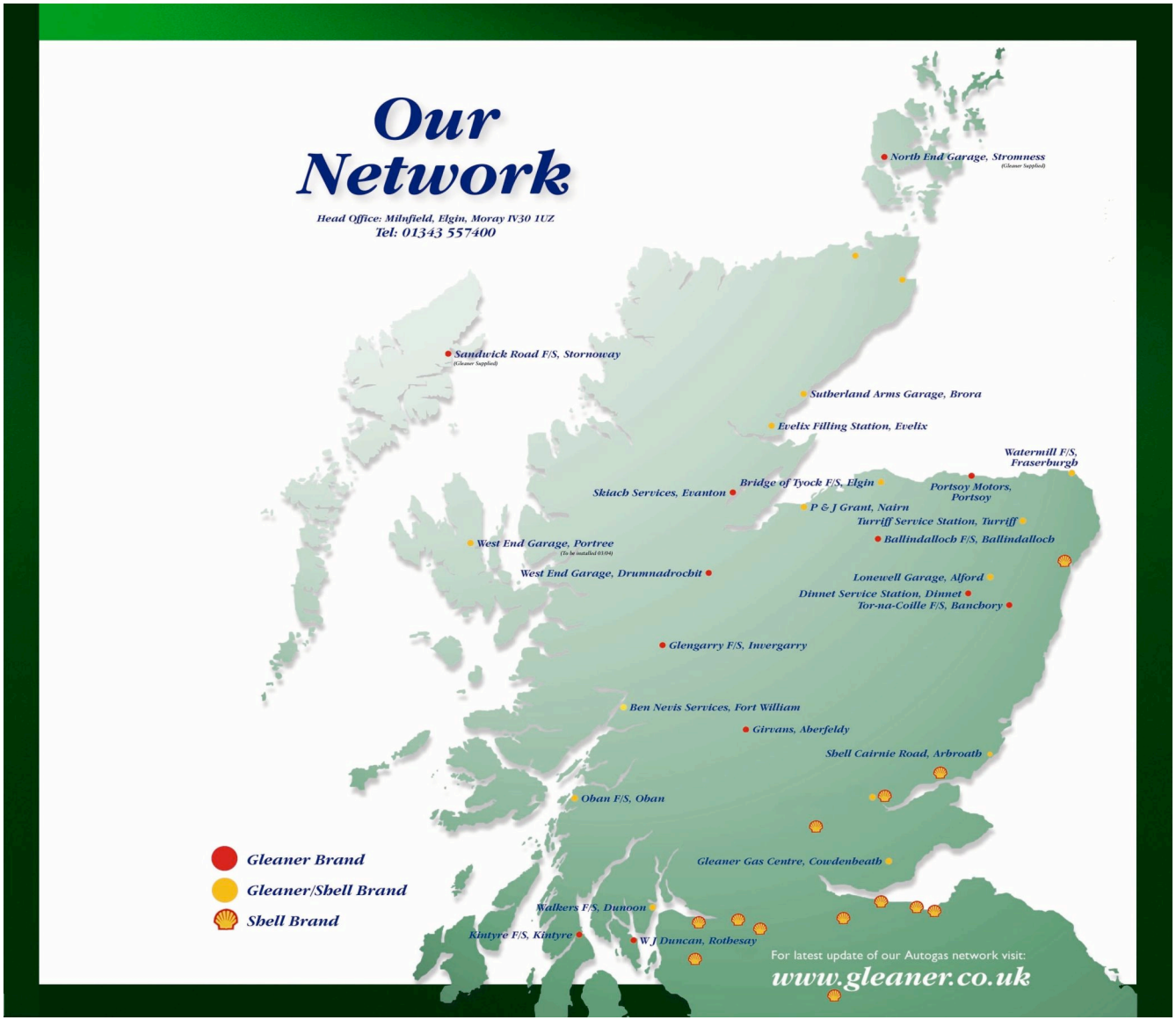
Example - Autogas

- Over the last 10 years established a comprehensive Autogas refuelling network

Gleaner oil and gas

Our Network

Head Office: Milnfield, Elgin, Moray IV30 1UZ
Tel: 01343 557400



Autogas Vehicles

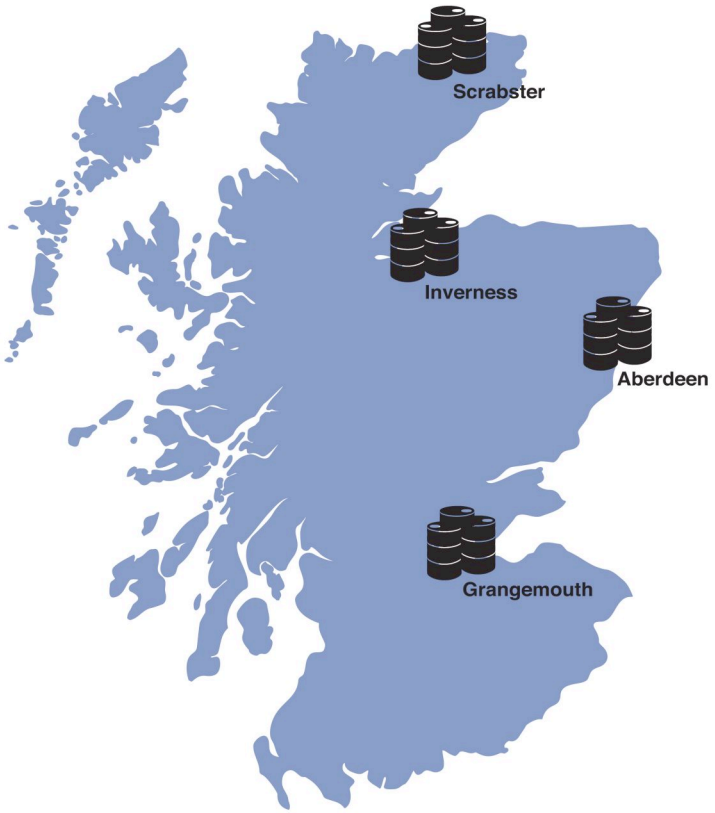
- Saving in Fuel costs
- Similar CO2 emissions to diesel engines which are better then petrol
- 1/20th of NOX emission of comparable diesel engine
- 1/100th of particulate emissions of comparable diesel engines

Biofuels – the practicalities

- Gleaner's wishes to supply Biodiesel

- Issue 1 - Supply chain
- Issue 2 – Customers

Fuel Supply in the Highlands



- Grangemouth – Scotland's only refinery
- Aberdeen Terminal – ship fed
- Inverness Terminal – ship fed

Considerations

- Base product- Oil / animal vs plant Bio content
- Bio / fossil blend – where?
- Local content
- Quality
- Cost

Taxation vs Cost

- 5% bio content – 1ppl tax saving lest costs
- 50% bio content – 10ppl tax saving less costs
- Customer Requirements – Commercial / private
- OEM warranties, etc.

Conclusions

- 5 % bio content supply will happen when the major refiners start manufacture.
- In the interim only small scale applications locally
- Green footprint
- Economics