

## **Bunkerworld**

### **Cost behind supplying ISO 8217:2010 spec fuel 'significant'**

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End users 'won't necessarily see' the risk involved in supplying 2010-spec fuel

Cargo sellers and suppliers are reluctant to adopt the ISO 8217:2010 bunker specification due to increased risk that comes with supplying compliant product, according to a major player in the bunker market.

According to Adrian Tolson, Chemoil's vice president of sales and marketing, the cost of supplying 2010 specification fuel could be "significant", although end users might not necessarily see it.

"ISO specification governs marine fuel, it doesn't govern residual [product] coming out of the refinery. So what you buy is a typical spec out of the refinery with a few very loose guarantees," Tolson said at a virtual roundtable to discuss the ISO 8217:2010 bunker standard.

"So when you get the products, then clearly your risk as a blender or a cargo trader, [is that] you're going to get a product that is much worse than the specification.

"Therefore there is a risk involved that end users won't necessarily see."

Bunkerworld earlier reported that box shipowner and charterer APL had yet to see suppliers charging a premium for ISO 8217:2010 spec product.

"From the blending point of view, obviously, if you've got product that comes in close to limit, you've clearly got to add more cutter stock which increases the cost of that product, it's as simple as that," said Tolson.

However, he added that end users normally did not feel the cost implication in terms of an increased price.

"I (as a supplier) still have to sell the product, I could still be selling at the same price as somebody else who is offering the same specification, but the cost behind it may have been significant from my point of view," said Tolson.

"So I think there's a reluctance to accept that specification because it increases the risk that you have in terms of product quality from your sources."