REFINERY AUTOMATION INSTITUTE, LLC

Fuels Blending Insight

Blending User's Group Newsletter

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HAVE A SAFE AND WONDERFUL SUMMER 2017!

NEW! BLENDING ADVISORY SERVICES

Do you need advice on **gasoline**, **diesel**, and **bunker** blending? Should you use in-line blending? Are you still undecided whether using batch blending or in-line blending? Do you need help in getting the EPA waiver? What is a "safe" recipe to get the blend right the first time? What is the economically best recipe? What's the best you can do in "squeezing" giveaway on octane, vapor pressure, viscosity, or unusual parameters like VOC? Are you exploiting Ethanol octane boost, or have headaches with RIN's? How about costs of blending equipment, software, and project services?

We provide **blending economic performance assessment studies**, including cost/benefits, at a very attractive, lump-sum fixed price.

So, send us an email at info@refautom.com or call us, at +1-973-644-2270.

2020 HYSTERIA AND IMO 0.5% S GLOBAL CAP

IMO MEPC (marine environment protection committee), a puppet of EU and environmental extremists, has voted to approve the use the 0.5% Sulfur global cap in 2020. This despite the evidence that:

1) refiners have no intention whatsoever to produce 0.5%S bunker fuel by desulfurizing RESID when they can make more money by making more profitable (and costlier) distillates, and

2) using the O&GJ oil refining configuration/capacity data base, there isn't going to be enough 0.5% S bunker available unless you switch wholesale to 0.5%S gasoil.

Yeah, right! Unless you switch the consumption of ~300 million tons of IFO380/year to 100% Gasoil, at a cost of about 62 billion/year. Who's going to pay for it? The usual suckers, the taxpayers around the world, in higher freight charges.

Of course, it is an absurd and extremist claim because we do have TODAY ULSD and ULSHHO in most OECD countries, and according to Bunkerworld, we can "sleepwalk in 2020 into Gasoil".

- That does not mean that "sleepwalking" is practical, unless you are ready to pay an exorbitant ~$200/mt additional to IFO380 3.5% S prices.
- How about BioDiesel? Even if available in the quantity needed, at about $650/mt, it is too expensive.
- Low Sulfur crude oil? Yes, they are available and more affordable, but there are concerns about large scale availability if widely used.

An educated guess is that people will either use scrubbers (about $2 to $5 million/a piece), or just ignore IMO and avoid ECA "police" countries as much as possible. This is what led to BREXIT, these unelected elitist bureaucracies ignoring the voice of the people, deciding they know what's best for ALL OF US!

RAI has done a study (yet another study!!!) in the US Gulf Coast of the bunker blendstocks commonly available (LS straight runs, LS VGO, HT-LCO, slurry, etc.), and developed economical and practical recipes meeting the 0.5 Wt% S specs. Economical does not mean the SAME PRICE as IFO 380, but USD 100+ cheaper than MGO or ECA fuels…

We will publish the results shortly in an oncoming paper. Contact us for a copy by sending an email at info@refautom.com

BLENDING COURSES TRAINING: 2017 CALENDAR

New for 2017 is a course specifically-tailored for TRADERS (NOV 7,9 2017 in NYC), where we spend more time on trader-specific examples and exercises, answering questions such as blend profitability, comparing different blend components from different refineries, accounting for blend component prices, fixed or variable Ethanol blending, EPA VOC vs. blend RVP vs. blend profit. For details and registration, please click HERE.

Our courses for refiners cover specs, blend components, linear and non-linear blending, estimating blend component prices, Lab test methods precision for dispute resolution, Ethanol blending, and much more. Get a copy of the Syllabus here for Gasoline&Diesel and here for Bunker.

What's the "Big Deal" about these courses?

You'll get first hand knowledge about making fuels profitably from me, Ara Barsamian, who has done this successfully for 40+years. You also get a 800+ pages blending coursebook, 35+ blending software modules, and gasoline and diesel blend optimizers (demo versions).

In short, you learn how to maximize fuel blending profits in an uncertain economic climate. What blendstocks should buy? How do you value a blendstock? How do you calculate non-linear properties, like octanes? How do you minimize quality giveaways? How do you avoid re-blends? How do you correct a blend? How do you exploit Ethanol and BioDiesel? How do you justify blending facility upgrades? Learn by doing, with live exercises…using your data…

You get answers in these courses designed for blending engineers, senior operators, product coordinators, refinery planners, refinery lab personnel, and fuels marketeers.

There are blending courses offered in convenient locations in Houston, New York, Dubai and Singapore.

You can see the full course content by clicking on www.refautom.com and then going to the courses section: Gasoline&Diesel and Bunker.

Following is the 2017 Calendar:

Blending Courses Calendar 2017	
Gasoline and Diesel Blending Course	
BAHRAIN	March 21 to 23, 2017
New York, USA-Traders only	April 5 to 7, 2017
Houston, Texas	April 26 to 28, 2017
MALTA - Traders & Refiners	May 2 to 4, 2017

Rotterdam, The Netherlands	May 15 to 17, 2017
Houston, Texas	October 11 to 13, 2017
NEW YORK CITY (Tailored for traders)	November 7 to 9, 2017
Singapore	November 15 to 17, 2017

Marine Bunker Blending Course	
FUJAIRAH, UAE	March 26 to 27, 2017
Rotterdam, The Netherlands	May 11 to 12, 2017
Houston, Texas	June 5 to 7, 2017
Singapore	November 20 to 21, 2017

VALUE OF IN-LINE BLENDING TO OIL TERMINALS

Do you want to increase the gasoline, diesel, and bunker thruput of your terminal, say from 100 milion tons/year to 250 or more million tons? How about reducing gasoline octane and RVP giveaway by 30 to 60 million USD/year? Is no re-blends and no demurrage charges tempting? Using modern in-line blending system capable of releasing product without a prior Lab certificate of analysis allows you to capture these benefits for a modest investment. Contact us at info@refautom.com

RIN COSTS FORCE REFINERS' TO ASSESS ALTERNATIVES

Are you losing tens or hundreds of millions or billions in buying RINs to meet your renewable volume obligation RVO)? Learn all about it and potential six alternatives in a paper we published in the December 5th issue of Oil & Gas Journal (get a copy here).

BLENDING OPTIMIZER "PRINTS MONEY"

Do you want an easy-to-use, push-button intuitive tool to make money on every single blend? Some examples are:

- Blend component "Buy/No Buy" decisions, comparing blendstocks from different sources for profitability, reduced blend giveaway, Ethanol blending, EPA VOC complex model, non-linear octane and RVP calculations, and more…

We have single user licenses, site licenses, and company wide licenses at very attractive prices.

Get your copy of the brochure here.

LOW CRUDE PRICES ARE HERE TO STAY

Don't complain, but PLAN FOR IT!

The relatively low prices and continuing economic slow down around the world resulted in a continuing glut, both of crude and products. This pushed prices down between $45 and $55 a barrel…and the recent OPEC cuts had barely an impact. In the long run, both US DOE EIA and Goldman Sachs predict oil prices will continue within this ± 10% band in 2017. And contrary to all the bad-mouthing, some US shale oil operators are still in business making money at $25/bbl

Crude Blending: blending traditional crudes with abundantly available “light tight (shale) crude” is another way to maximize naphtha production, for gasoline blending either directly, or through octane boosting isomerization or reforming, or as feedstock for petrochem..The crude blending is done by blending crude “assays”, not just by gravity and Sulfur….

A bright spot is that with low prices, consumption increases. This opens the export markets, and arbitrage windows…But **you have to be nimble**, or you’re DEAD!

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