



The 12th International Fujairah Bunkering & Fuel Oil Forum Fuelling The Future - Solutions & Challenges

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INTERVIEW: Bunkering sector undergoing through exciting technological transformation, observes Teekay Tankers

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The following interview arranged by Conference Connection is part of pre-event coverage for the upcoming 12th International Fujairah Bunkering & Fuel Oil Forum (FUJCON 2021), where Manifold Times is an official media partner. Readers can register for the virtual event by clicking on the link [here](#).

The bunkering industry is currently undergoing through an exciting transformation due to the introduction of new technologies, believes the Manager of Bunker Services at Teekay Tankers Ltd, UK.

Teekay, the largest operator of mid-sized tankers including suezmax, aframax, and long range two (LR2) vessels, is currently looking at various technologies to optimise its marine refuelling operations, shares Mads Bjernebye.

“The biggest one is E-BDN’s. We would like to see this rolled out by suppliers as soon as possible. E-BDN’s will enable a much quicker invoicing process, no longer waiting weeks for invoices and suppliers will also benefit as invoicing can be automated,” he told Singapore bunkering publication *Manifold Times*.

“Delivered quantities can also be automatically updated in the vessel management software systems of owners with very little, if any, manual intervention.

“E-BDN’s are something that only suppliers can implement, but Teekay as an owner welcomes any technology that helps the whole bunkering process, so it is an exciting future for the industry.”

Bjornebye, meanwhile, notes technology has already helped in the bunker enquiry process.

Platforms, such as ClearLynx, have made it much easier for owners to get their bunker inquiries out to the market; it also lets bunker buyers cover the whole market as well as be informed about new suppliers, he adds.

“It is great to see so many different companies trying out different technologies in this space. There are bunker planning tools, tools to monitor the oil markets and place stems at the right time etc,” says Bjornebye.

“Having tools that enable you to see prices, avails etc are the next step and it is coming sooner rather than later, indeed some of these tools are already available from the different bunker management software offerings.

“Some suppliers even have [platforms](#) where you can see which barge is assigned to your bunker stem, where it is and when you can expect the barge alongside. This is a great development as it means buyers are kept informed during the whole process. This allows us to keep an eye on the delivery and contact the supplier if we see delays etc happening.

“The more we as owners know about the bunker delivery, the more we can plan our voyage and make sure we are on time, the better it is for our customers as well as us. Technology can also help suppliers check where vessels have called and check for any possible sanction violations which is great for suppliers.”

Though it seems technology is great for bunkering, Bjornebye was quick to point out a major hurdle it currently faces.

“The biggest challenge is the fear of change I would say. Bunkering, and shipping to an extent, is a conservative industry and change can sometimes be slow. There is good reason for this of course as costs of change can be high, whilst shipping markets are also volatile,” he explains.

“The bunkering industry is also still operating in much the same way it has been for many years. For example, we still have paper BDN’s in the 21st century. That to me is surprising as well as frustrating. We have been looking at E-BDN’s more and more over the last year, and would really like to see this technology implemented across the industry.

“We have also seen Singapore lead the way with the introduction of MFM’s, yet the rest of the world has been slow to change. Singapore is also looking at digitising the bunker industry so once again leading the way for our industry, hopefully other ports will follow their lead.

“Change and innovation is vitally important, the biggest barrier to change is the thinking that we don’t need to change and innovate. The technology is there; we just have to want to change for the better.”

Moving forward, Bjornebye notes the next big step forward will be the types of bunker fuels chosen by the maritime and shipping sector as part of IMO 2030 and IMO 2050.

“Teekay has been following the developments in the future fuels arena with great interest, it really is one of the most important challenges facing all ship owners at present. How will we fuel our vessels over the next 30 years and beyond?” He asks.

“The challenge is really made up of two parts; how do we manage our emissions in the short and medium term, and what fuel or fuels will be the zero carbon fuel of choice for our industry in the long term?

“If we look at the next decade, LNG is clearly the front runner as no other alternative fuel has the infrastructure or supply in place to be a viable option at present.

“Other fuels, such as ammonia, methanol etc are not in the same position, and most likely will not be a viable option until much later this decade or perhaps not until 2030 and beyond.

“This means that for owners who would like to order new vessels over the next few years, have to consider their options carefully.”

Bjornebye explains a conventionally fuelled vessel ordered today may undergo a massive depreciation after 15 years; unlike a newbuilding which has the capability to burn an alternative fuel. Other factors include CAPEX and OPEX costs which need to be competitive in order for shipowners to jump on the alternative marine fuels bandwagon.

“LNG will have a place as a bridging fuel between now and when the zero carbon fuels are ready both in terms of supply, as well as infrastructure for our vessels to be able to tramp around the globe with adequate access to these fuels in the right locations,” he notes.

“For Teekay, we haven’t made any firm decision just yet as to how this [fuel choices for newbuilds] will be implemented.

“However, we are looking at several options so that when we do come to renew our fleet we are well versed in the pro’s and con’s of the various options. We have to consider how we trade our vessels and what is available at the time as well as the cost of course.”

Note: Mads Bjornebye will be speaking at Session 1: Shipping Outlook Post 2020/Cpovid-19; Opportunities & Challenges at FUJCON 2021.

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