Recent fuel price rises,
A challenge for RV operators?

Aodhan Fitzgerald

Research Vessel Program Co-ordinator
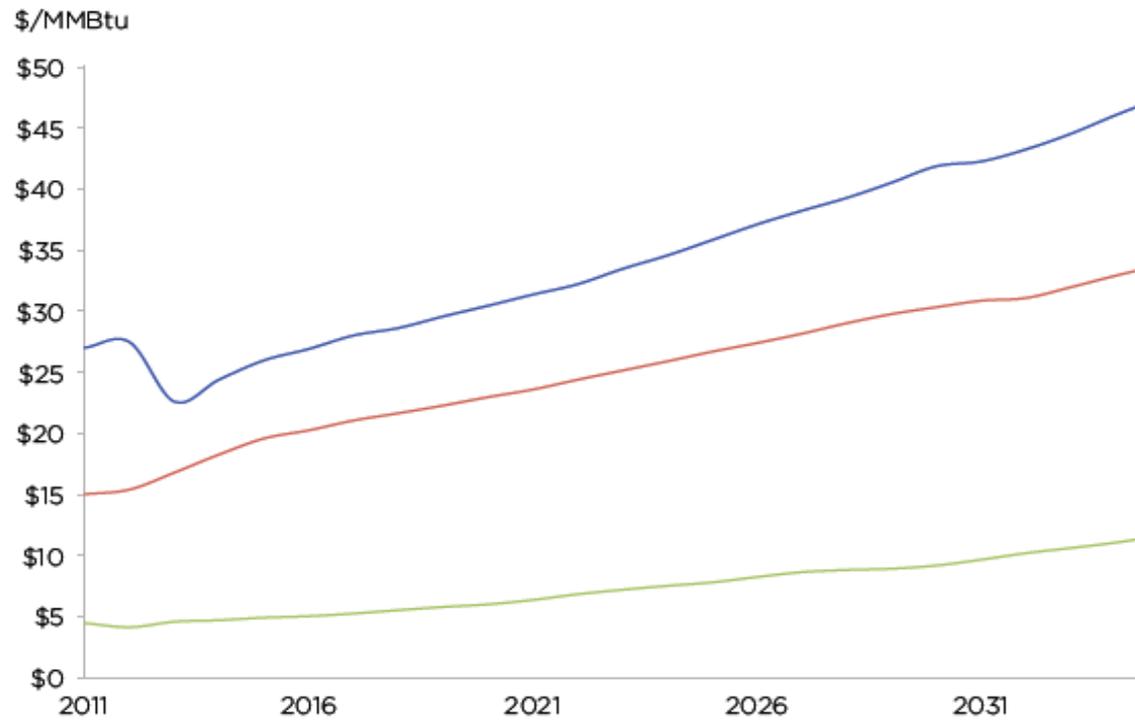
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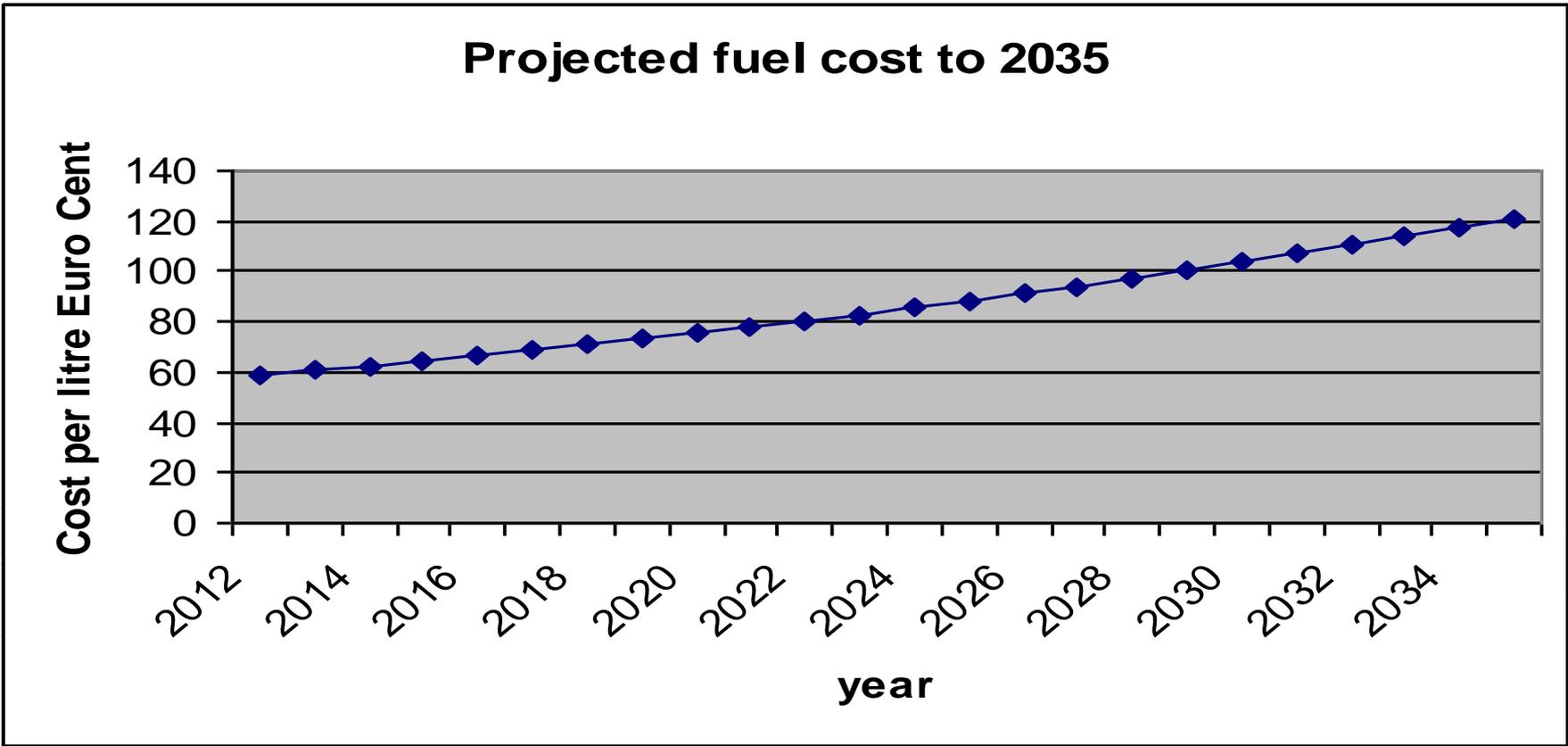# Projected long term fuel cost

Figure 3
EIA Annual Energy Outlook 2012 (Early Release) Delivered Fuel Price Projections through 2035 in Nominal Dollars [R1][5]
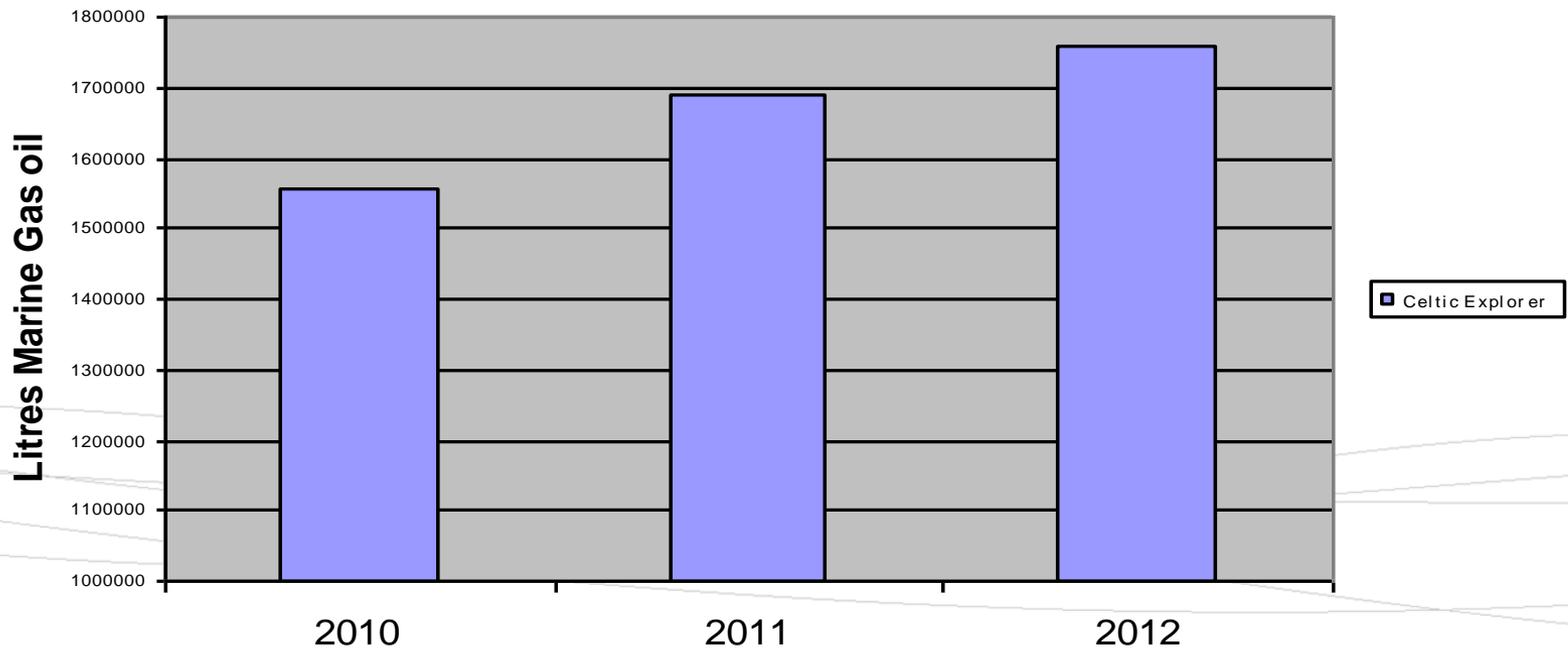
— Distillate Fuel Oil

— Residual Fuel

— Natural Gas

Projected cost per litre marine gas oil (based on last 3 years average cost)
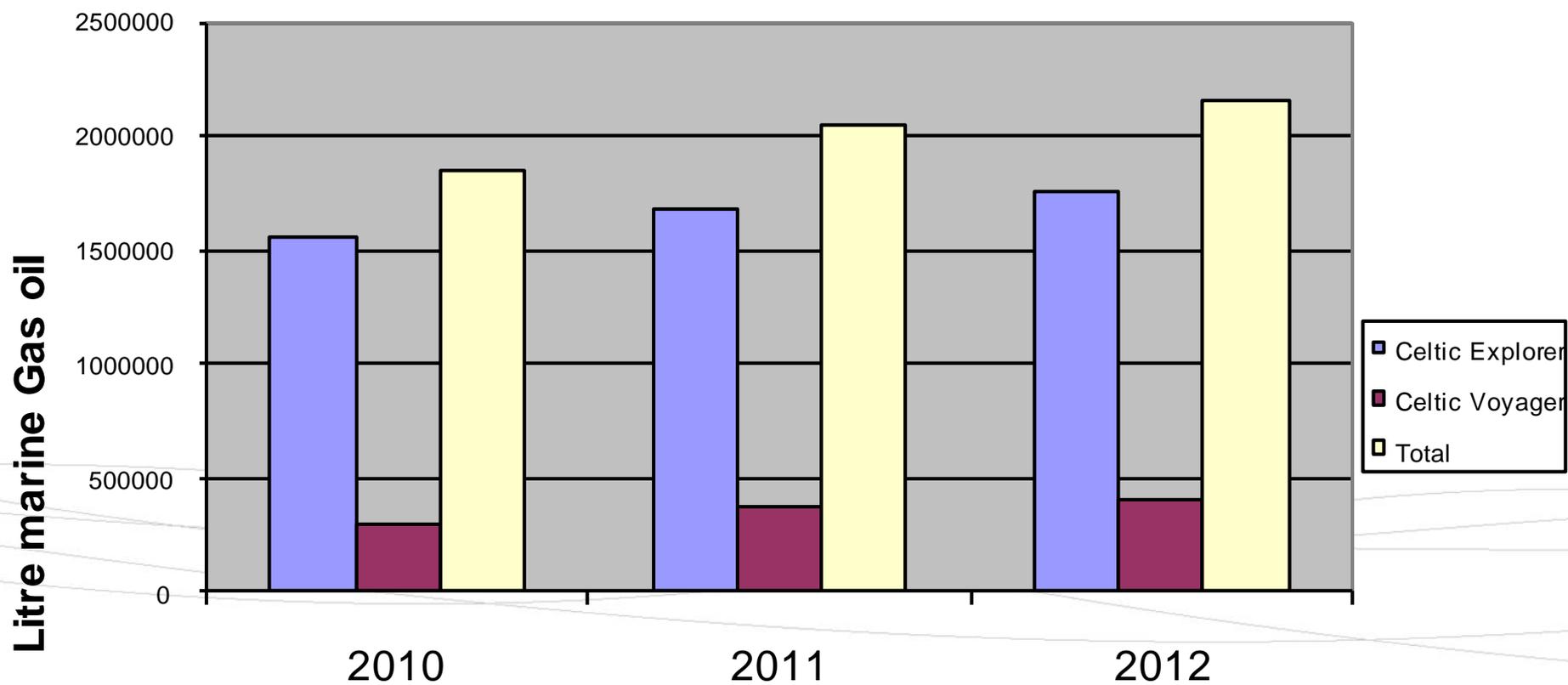

Projected fuel cost to 2035

Current Marine Institute Situation

Celtic Explorer annual fuel consumption
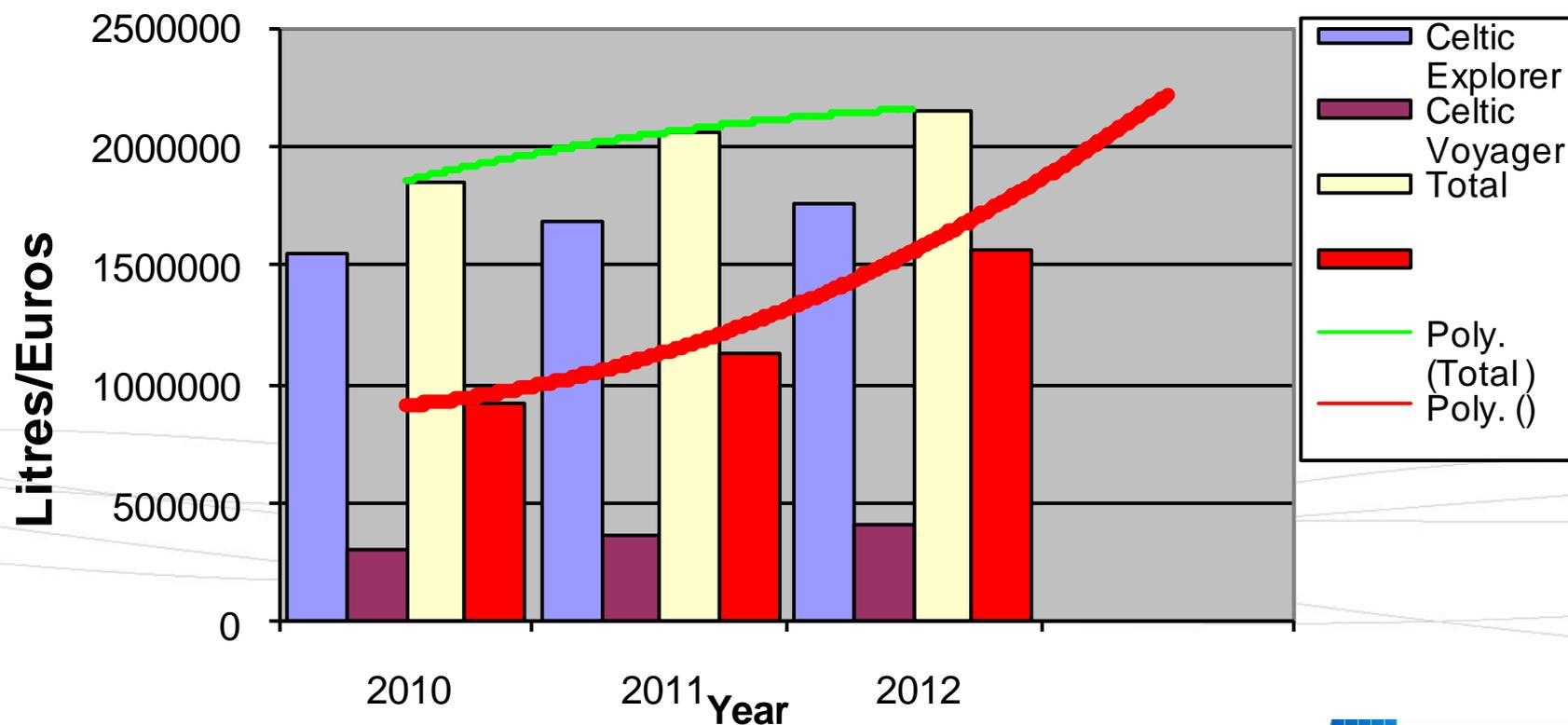
Fleet Usage

Increased vessel activity

Vessel operating days
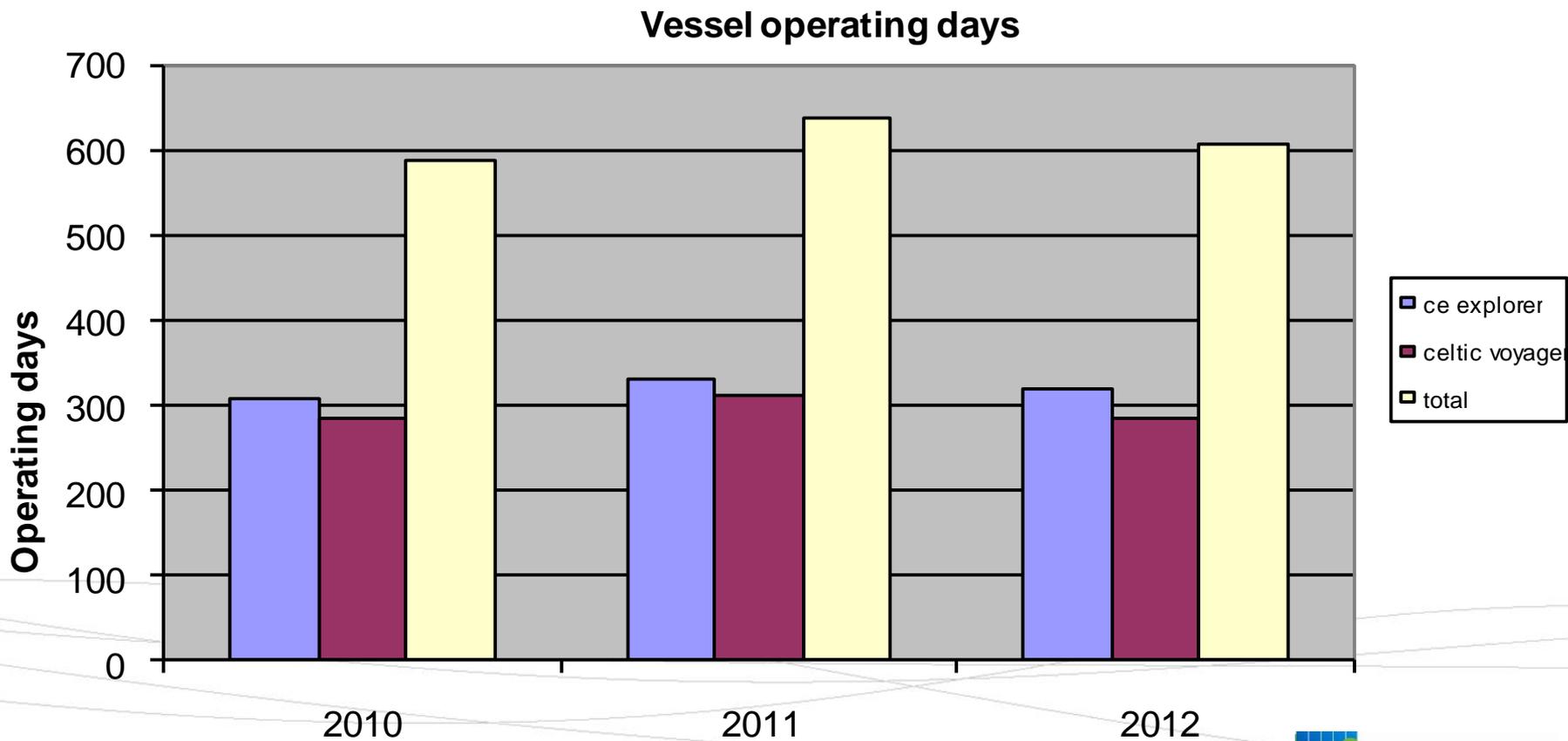
Recent large fuel cost increase!

Irish RV Fleet - Annual Fuel usage

Fuel cost increase

- On current projections the vessel fuel bill will be €400,000 greater then 2011

- This will have a major impact on other areas

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Dealing with the large fuel cost increase

- Budgeting:

- *Use a realistic cost estimate when budgeting for fuel for the year*

- *e.g. est 55 cent for 2011, est 70 cent for 2012, estimated fuel usage based on survey type and days at sea*

- Purchasing:

- *Bulk purchases where possible and careful planning to avoid expensive bunkering locations*

- *We use a fuel procurement agency Lindsay Blee & Co Ltd (International Bunker Brokers) to secure the best price from all suppliers*

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Dealing with the large fuel cost increase

- Consumption :

- *Celtic Explorer is strictly used in single engine silent mode for passage and survey work (with safety exception) , any deviation form this mode requires permission from shore management*

- *Vessel utilises 1.5 – 2 engines in DP mode, vessel now encouraged to use DP less e.g. anchor where possible rather then DP.*

- *Longer port calls vessel is powered using external generator (500kva) with lower fuel consumption*

- *Ships officers encouraged to optimise routing to minimise fuel consumption*

Thank you