Navigating offshore challenges

With offshore wind projects in the US facing logistical challenges due to the Jones Act, William Cline and Nicklas Berg, Senior Fuel Suppliers and Team Leaders at Dan-Bunkering, explain how the company is addressing these hurdles, streamlining operations and enhancing cost-effectiveness. From mitigating regulatory obstacles to optimizing fuel management and reducing CO_2 emissions, a comprehensive approach offers flexibility and customization for diverse project needs in the evolving offshore landscape.

PES: It's lovely to speak to you William and Nicklas. Firstly, perhaps it would be helpful to run through some of the current challenges faced by offshore installation vessels operating in the US due to the Jones Act.

William Cline: The Jones Act is designed to protect American coastwise shipping. It currently prevents vessels from calling from one US port to another without heading to a 'distant foreign port'. With the near-shore nature of the offshore wind industry this of course makes for a difficult logistics environment to work in.

PES: How does Fuel Run supply potentially alleviate these challenges for installation vessels?

WC: Despite not being able to re-enter the US ports, WIVs (Wind Installation Vessels) still require certain logistics items to function: crew changes, food stores, parts and equipment, turbines, and blades, and of course Fuel. By offering an In-Field fuel service to the WIV, Dan-Bunkering is able to remove a major hurdle to operations; the vessel will not need to depart for a foreign port just for a bunker call.

PES: Can you explain the concept of Fuel Run supply and how it differs from traditional supply methods for offshore projects?

WC: The Fuel Run program is designed to offer financial, logistic, and risk management benefits to the WIV operator. In a typical offshore operation, the client would assume all the operation risks, including charter time, port costs, and most importantly the risk of a fuel spill. By using Dan-Bunkering for the operation, we are able to optimize on the costs, delivering to multiple clients in a single run, and sharing the fixed costs across multiple operators - all while using best practices and safety protocols to ensure full HSEQ compliance.

PES: What are the key benefits of utilizing Fuel Run supply for offshore installation projects? How can it contribute to reducing downtime, for example?

WC: For assets that are able to call US ports, but to do so would incur delays to the project, it is an excellent tool for optimizing vessel time. Staying in field and installing the next monopile during a good weather window is much more valuable to the operator than calling port just for bunkers.

PES: Presumably though there are logistical considerations that need to be addressed when implementing Fuel Run supply for offshore projects? Are there any regulatory hurdles or limitations associated with it too?

WC: From a regulatory side, the process is fairly streamlined now that the USCG rules are matching the process in the US GoM, where fuel runs are the primary form of replenishment for operations. There are still considerations when it comes to which assets can be used for the delivery but Dan-Bunkering handles all of that to ensure it is as simple as any other bunker delivery for the client.

PES: Would you say that Fuel Run supply helps with the overall cost-effectiveness of offshore installation projects?

WC: Absolutely. With WIV chartering for 100s of thousands a day any time savings is valuable. And the primary benefit of the Fuel Run is to save that time from running into port, or worse to a foreign port.

PES: We know that Dan-Bunkering provides comprehensive Turnkey Fuel Solutions, serving as a complete package for substantial offshore wind projects, can you elaborate on these solutions?

Nicklas Berg: Yes, we provide Turnkey Fuel Solutions tailored for large-scale offshore wind projects.

Basically, we take care of everything fuel-related; from the procurement to delivery, storage, and distribution.

With our expertise within fuel logistics and compliance, we ensure reliable and efficient fuel supply for vessels, machinery, and power generation at offshore sites.

By taking care of the whole process, we make things a lot easier for large scale wind projects, reducing the risks and helping them succeed, all while keeping an eye on environmental standards.

PES: What specific challenges or pain points does the turnkey service address for clients?

NB: Our Turnkey Fuel Solutions tackle several critical challenges that clients face in large-scale offshore wind projects. Firstly, we address the complexities of logistics in remote offshore locations, ensuring seamless fuel procurement and delivery.

Secondly, we navigate the complex landscape of compliance and regulations, safeguarding clients from regulatory obstacles and potential penalties. Additionally, we enhance operational efficiency by optimizing fuel management, minimizing costs, and preventing disruptions.

Furthermore, our solutions mitigate risks associated with fuel dependency through comprehensive management and contingency planning.

Lastly, when developing wind farms, it is crucial to consider all aspects contributing to CO_2 emissions, including fuel usage. Fuel can make up about 20 percent of the total CO_2 footprint for a standard wind farm. We understand the significance of this issue, which is why we incorporate strategies for CO_2 reduction into our projects.

One approach we take is the utilization of alternative fuels, such as biofuels. However, biofuels often lack an established supply chain in many locations, requiring us to commence from the beginning for each project. By proactively addressing these challenges, we demonstrate commitment to responsible development in wind farms.

PES: How does the turnkey service streamline the process for your clients?

NB: It streamlines the process for clients by offering a comprehensive and integrated approach to fuel management. We provide a centralized point of contact, simplifying communication and coordination across all fuel-related activities.

Additionally, our expertise in procurement and logistics ensures efficient sourcing and timely delivery, as well as minimize downtime and operational disruptions.

Moreover, our advanced fuel management systems optimize usage and prevent shortages, enhancing overall efficiency.

Basically, with our turnkey service we take care of all the complicated stuff and paperwork, so our clients can get on with the important parts of their business without worrying.

PES: What level of customization or flexibility is available within the turnkey service to accommodate different client needs or project requirements?

NB: We understand that every client and project is unique, which is why our turnkey service offers a high level of customization and flexibility. We work closely with clients to assess their specific needs, project requirements, and operational constraints. Whether it's adapting fuel procurement strategies, optimizing delivery schedules, or implementing tailored fuel management systems, we tailor our services to meet the individual needs of each client.

William Cline

Nicklas Berg

Our goal is to provide adaptable solutions that seamlessly integrate with our clients' operations, ensuring maximum efficiency and satisfaction.

PES: What sets your service apart from other similar services in the industry?

NB: The unique aspect of our turnkey concept is that it enables us to seamlessly integrate with our clients' operations. We align with all stakeholders to determine the how, when, and where fuel will be supplied, ensuring a fully integrated approach.

PES: What potential future developments or improvements do you foresee for this, in the context of offshore projects in the US?

NB: With more projects moving closer to start-construction date, we see the possibility of utilizing supply vessels on a cross-project basis, mitigating risks for each individual client, and lowering overall costs on a project level.

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