

Fuel Facility Sizing Guide

A fuel facility should ideally:

Carry a minimum level fuel holding volume of fuel based upon a predetermined number of day's fuel consumption and provide sufficient capacity to allow the most economically viable fuel delivery size as nominated by your local fuel supplier.

There are a number of variables that need to be defined by the business in order to calculate this ideal storage quantity. These variables are as follows:

Average Fuel Consumption per Day	<ul style="list-style-type: none">• This is the key input into determining the size of the ideal fuel facility for your operation.• Take time to calculate this as accurately as possible.
Minimum Level Fuel Holding	<ul style="list-style-type: none">• This stock level of fuel is associated with the issue of risk.• The business must determine the minimum volume of fuel that the business is prepared to hold, based upon the number of day's consumption of stock held in reserve.• A trigger point for the re-order of fuel would be set above this level.
Fuel Delivery Size	<ul style="list-style-type: none">• In order to maximize the efficiency of fuel deliveries to site and maximize the opportunity for fuel cost savings it is recommended that a fuel facility is sized to accept 'full loads' of fuel.• A full load could be one of the following:<ul style="list-style-type: none">○ 50 000litre – B Double○ 38 000litre – Truck and Dog○ 30 000litre – Semi Trailer○ 15 000litre – Rigid Body Truck• Consult with your fuel supplier in order to determine which of the above represents the most efficient, and therefore cheapest, drop size available.

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An Example

You run a trucking operation, the key variables of the business are as follows:

Average Consumption per Day	10 000litres
Minimum Level Stock Holdings	4 days consumption = 40 000litres
Fuel Delivery Size	50 000litre B Double

Fuel facility size would be 100 000litres based upon the above model. This allows for the re-order trigger point to be set at a tank stock level of 50 000litres. Sufficient ullage would be available within the tank to accept the most efficient stock replenishment load size without the on site stock holding dropping below the minimum stock level set as part of the risk management strategy of the business.

On old rule of thumb:

When in doubt more storage is better than less.