

What to store and why.

- Requirement to have emergency stocks was identified during the cold war (fifties and sixties).
 - - important to secure local oil supplies
 - - loading racks had to be available on all locations.
- When the above underground storage facilities were built it was meant as civil emergency supplies of mogas and diesel(heating). Crude oil was therefore not on the agenda.
- Beginning of the nineties evaluated to convert one of the above ground storages to crude oil storage, but turned down because of price.
- A small crude oil volume is stored at a refinery. (360 000 barrels)

Present strategy

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- In order to reduce the costs of keeping products on spec.
 - make contracts with oil companies to utilize our facilities (and exchange the products)
 - if opportunity appears move towards more crude oil without investing in own tanks.
 - buy storage tickets to cover temporary variations
 - sell tickets if in surplus

Present status

- FDO needs to store 350 km³ mogas, 830 km³ gasoil and 50 kt fuel.
- 5 long term contracts has been established :
 - 2 contracts to automatically exchange products stored underground.
 - 2 contracts for integration of above ground gasoil tanks with refineries.
 - 1 contract for rental of crude oil storage .
- The contracts cover in total 75% of our total stored volume. We therefore very seldom have offspec products because of long term storage.