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IN TONAWANDA, New York, NOCO Energy Corp boasts a bulk storage and terminaling facility with product capacity of one million barrels (about 42-million gallons), three loading racks with 11 loading positions for fuels, and four separate loading bays for asphalt. The facility is one example of the company's ability to provide petroleum products to the US Northeast and neighboring Canada.

"Last year, we added a new siding to our existing 5,000 feet of rail on site," says Val Speek, terminals and facilities manager. "We see ourselves as a dynamic, growing company committed to customer service."

It's not surprising that NOCO managers know a bit about customer service, considering the company is in its third generation of ownership and more than 70 years in business. The company was founded by Reginald B Newman in 1933 with one truck to haul coal for residential customers.

Today, the company's primary storage facility in Tonawanda connects to the Buckeye Partners LP and Sunoco Logistics Partners pipeline systems, which offer access from the New York Harbor and Philadelphia supply points. The terminal also offers barge off-loading for all products, providing access to Great Lakes supply points. Rail service is through CSX Transportation.

In addition to supplying gasoline, low sulfur diesel, heating oil, residual fuel (#5 and #6) oil, and asphalt at the terminals, NOCO made a smooth transition in 2006 to handling ultra low sulfur diesel (ULSD). The biggest impact of the move to ULSD was a decision to stop handling jet fuel to avoid sulfur contamination of the ULSD.

When the company began planning for the ULSD, which mandates 15 parts per million maximum sulfur content, it formed a team that met weekly initially to discuss options. As the deadlines approached, the team was meeting a couple times a week. Standard operating procedures were rewritten, quality assurance programs were implemented, and training for staff and drivers began. These efforts were not, however, without expense.

"We estimate a six-figure dollar amount that we spent in order to comply," says Speek. "That included instituting dedicated receiving lines, storage tanks, and piping."

The company cleaned storage tanks and converted one for transmix, a byproduct mixture of gasoline and diesel fuel. NOCO also requires carriers to use dedicated tank trailers to load ULSD at its racks.

"To insure that we are meeting the 15 parts per million maximum, we draw samples along the dedicated system and test it in our lab with new analysis equipment," says Speek.

The full-service laboratory furnishes testing services to customers and serves as the quality control center for the NOCO terminal. In addition to ULSD testing, the lab analyzes metals, Reid vapor pressure, cloud and pour points, flash-point, viscosity, API gravity, color, and total halogens. NOCO invested \$65,000 in a Sindre-7039 bench-top analyzer from Horiba Instruments Inc, a sulfur analyzer designed for petroleum fuels from ULSD diesel to gasoline. Product samples are placed in a small cup and introduced into the analyzer. Test results can be rendered within five minutes, says Chris Bergstrom, NOCO quality assurance manager.

In addition to its own efforts for meeting ULSD mandated regulations, the company added a page to its Web site at noco.com that explains the regulations and lists deadlines for compliance as an aid to help its customers understand the new rules. Ahead of the change, NOCO orchestrated several seminars for its customers that focused on ULSD issues.

Loading racks

To improve handling ULSD, and to boost efficiency, the company upgraded its gasoline and diesel racks. The company installed Gate City injectors from Enraf Fluid Technology that can be used to inject lubricity and conductivity improvers supplied by Innospec Fuel Specialties. Other equipment includes Smith Meter AccuLoad III measurement equipment from FMC Technologies and Floserve and Gould pumps. The terminal has the capacity to load tank trailers at 600 gallons per minute, meaning that trucks are typically in and out of the terminal in 20 minutes.

Software from Toptech Systems automates inventory data and other operations management functions, including printing out bills of lading for drivers.

At the asphalt loading racks in a separate area of the terminal, a NOCO operator is on duty 24/7 to toload tank trailers manually. There are two railcar spots, along with piping and Leistriz pumps dedicated to the inbound asphalt operation.

Barges dock at the terminal on the Niagara River, carrying asphalt and refined products. The facility can handle ships with up to 67,000-barrel capacity and barges with 55,000-barrel capacity for gasoline. Asphalt barges typically have a 47,000-barrel capacity.

Another update to the terminal came with a new boiler facility that includes a Cleaver Brooks 300-horsepower boiler and an American Heating Company thermal fluid heating system.

Site security

The terminal is gated and fenced for security with automated gate access for drivers and employees provided by the Toptech system. The program contains data about carrier insurance, Department of Transportation inspections, and drivers' commercial driver licenses and physicals. The same program gives drivers access to loading equipment.

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Carrier drivers are trained in loading operations by the carriers' veteran drivers and must go through the loading process three times before access cards are issued. Training for terminal personnel and NOCO drivers includes a program supplied by Great Lakes Environmental and Safety Consultants Inc, says Dennis Barry, manager of recovery services, quality, and regulatory.

NOCO's trucking division has a fleet of tankwagons and tank trailers that deliver diesel and gasoline (87 or 93 octane) to commercial accounts and service stations throughout western New York. Heating oil, kerosene, and propane are handled for commercial, residential, and industrial customers.

The company distributes a wide range of industrial and commercial lubricants and engine motor oils and markets the products in New York, Vermont, New Hampshire, New Jersey and Pennsylvania, as well as in Ontario and Quebec, Canada. The lubricants division owns and operates distribution facilities in Tonawanda, Syracuse, and Kingston, New York, with more than 100,000 square feet in warehouse space and 983,000 gallons of bulk tank storage.

In Tonawanda, the company operates a recovery service that manages used oil, oil filters, and anti-freeze. NOCO sends its own vehicles to pick up used oil in bulk. "Our on-site laboratory handles testing, and a separate dedicated rail loading rack is used to ship wastewater off site to appropriate handlers," says Barry.

The company also operates more than 30 NOCO Express service stations and convenience stores throughout Western New York.

Company history

Today's success began with the founder's first step into trucking and his decision to deliver coal to residential customers. His two sons, Donald F Newman and Reginald B Newman, joined the company in 1954 and 1960, respectively, and oversaw the acquisition of a 33-million gallon terminal.

By 1982, NOCO had acquired the home heating oil business of Ashland Oil Company and Akron Oil Corporation. The 1980s also saw the startup of operations in Canada. In 1998, propane services were added to the lineup. The new century brought the diversification to natural gas and its marketing to residential and commercial customers.

Having directed the company's initial expansion, the two sons remain active in the company today as chairman emeritus and chairman of the company's board. In October 2001, the third generation assumed the reins. James D Newman serves as president and Michael F Newman is executive vice-president.

To maintain its long history of service and reputation for reliability, NOCO continues to invest in its facilities to be ready for another seven decades in the petroleum industry.

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