



Grangemouth: the origins of dispute (Thread 1)

Posted by [Prof. Goose](#) on April 23, 2008 - 1:45am in [The Oil Drum: Europe](#)

Topic: [Supply/Production](#)

Tags: [gas prices](#), [gasoline](#), [grangemouth](#), [oil](#), [oil prices](#), [refineries](#), [scotland](#) [[list all tags](#)]

[update 5 by Euan, 23 April]

Latest from the [BBC](#) (Wednesday evening)

BBC Scotland understands operators Ineos and the Unite union have failed to agree a halt to an impending strike by workers at the Grangemouth plant.

It therefore looks like Ineos will have to proceed with closing the plant which they say will take 4 weeks to restart. We'll be back with a fresh thread in a couple of hours.

[update 4 by Euan, 23 April]

Latest from the [BBC](#) (Wednesday pm) with a fine video:

As the hours tick by the likelihood of widespread disruption looks increasingly likely

[update 3 by Euan, 23 April]

Wednesday lunchtime and Ineos are still meeting with trade unions seeking a settlement. Fuel runs out at some gas stations - according to the BBC news.

Some background on [The European Gas Market](#).

[update 2 by Euan, 22 April]

According to this report by [CNN](#), BP has confirmed that the Forties pipeline system may have to close if the Grangemouth strike goes ahead. 700,000 bpd UK North Sea production may be lost.

In addition to lost oil production, many gas fields may also have to be shut down as liquids produced with the gas will have no export route. More news on natural gas production if it is confirmed that the strike will go ahead.

Ineos is reported to be the world's third largest petrochemicals company. Privately owned by UK businessman [Jim Ratcliffe](#).

[update by Euan, 22 April]

Management and trades union officials at the Grangemouth refinery in Scotland are to meet on Tuesday at the ACAS conciliation service for talks to avoid a strike planned at the weekend, a union official said.

"There's a party going to ACAS this morning for a meeting at 2 pm," Gordon Russell, a union convenor at the refinery for the trade union UNITE.

Russell said management had made no new proposals at talks with the union on Monday evening to avert the strike called over the 200,000 barrel a day refinery's pension scheme and the two-day strike was still set to go ahead on Sunday.

"Everything stays as it is pending the discussions," he said.

The planned strike at Grangemouth was one of the factors driving oil prices to a record high on Monday.

Refinery owner Ineos has started closing one of the refinery's three crude processing units as part of a safety shutdown ahead of the strike.

A shutdown at Grangemouth would reduce flows of North Sea crude into Britain and hit British gas supplies, if the Forties pipeline, which feeds the refinery, is forced to close.

Roads are visibly quieter around Aberdeen today.

[original by PG, 21 April]

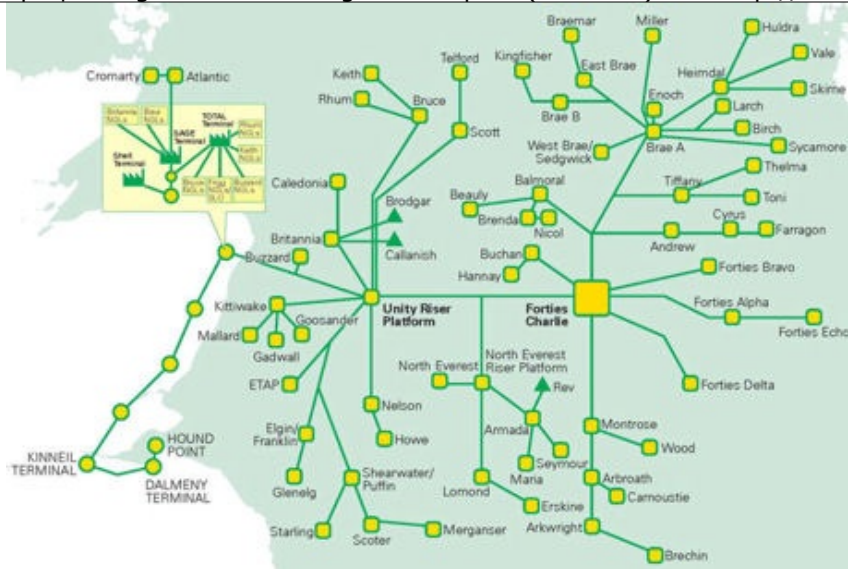
First the [BBC reports](#):

Motorists have been urged not to panic buy fuel amid warnings that the shutdown of Scotland's only crude oil refinery could lead to shortages.

Ineos claims it could have to close its refinery at Grangemouth for a month on safety grounds ahead of a strike by 1,200 members of the Unite union.

Industry analysts told the BBC that there is no need for drivers to stock up with petrol at the pumps.

Here's a map of the BP refinery and pipeline system in the area:



[and here's a link to a fact sheet about the Ineos Grangemouth Refinery....](#)

We welcome your input on developments, resources, and links to other/related stories in the area. Thanks.



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