Marketing Division

HQ/ID/Hassan-Chitradurga Pipeline

The Secretary
Petroleum and Natural Gas Regulatory Board
1st Floor, World Trade Centre
Babar Road
NEW DELHI 110 001

Dear Sir,

Ref : Public Notice Infra/PPL/52/PMHBPL/HCPL/01/2018 dt.11.04.2018
Sub : Expression of Interest (EOI) to Lay, Build & Operate Petroleum Product Pipeline from Hassan to Chitradurga in Karnataka State under Regulation 4(1)

Reference is made to Public Notice Infra/PPL/52/PMHBPL/HCPL/01/2018 dt.11.04.2018 soliciting views regarding the proposed Pipeline.

The proposed Hassan-Chitradurga Pipeline has been considered as a branch pipeline from existing Mangalore-Hassan-Bangalore Pipeline of PMHBPL which terminates at Devanagonthi, Bangalore. IOC is having a Terminal at Devanagonthi with facilities for receipt ex PMHBPL as well as independent receipt facilities thru other modes.

The estimated demand expected to be catered to by the proposed pipeline, as brought out in EOI, is 0.974 MMT in 2021-22 which increases to 1.531 MMT in 2029-30. As brought out in the EOI, the expected demand includes the total demand of the 3 OMCs (IOC, BPC and HPC).

In case if the Pipeline originates from Devanagonthi, Bangalore, as an extension of PMHBPL, it would be feasible for IOC to pump product in the pipeline, positioned at Devanagonthi, from its own sources. It would also be feasible for PMHBPL for pumping the products sourced ex Mangalore.

The pipeline length for Devanagonthi-Chitradurga section is expected to be approx 230 Kms as against 192.5 kms for Hassan-Chitradurga section (as mentioned in EOI).
Considering that with the suggested realigned route, it would be in feasible for IOC to position IOC product at Chitradurga to meet its own requirements, while ensuring that products for other OMCs can also be pumped ex this pipeline as an extension of PMHBPL, it is requested that the pipeline route is realigned as Devanagonthi (Bangalore) - Chitradurga.

Thanking you,

Yours sincerely,

For INDIAN OIL CORPORATION LIMITED

[ATUL GUPTA]
CGM(ID)
Ph: 022-26447795
Mob: 7506448623

[ATUL GUPTA]
Chief General Manager (Intra Dev)
Indian Oil Corporation Ltd. (M.I.)(M.O.)
Regd Office : Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra(East), Mumbai – 400 051
<table>
<thead>
<tr>
<th></th>
<th><strong>Format for submission of views on the Expression of Interest for</strong></th>
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<tbody>
<tr>
<td></td>
<td><strong>HAFFAN - CHITRADURGA PIPELINE</strong></td>
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<tr>
<td></td>
<td><strong>PUBLIC NOTICE : INFRA / PPL / 52 / PMHBL/HCPL/01/2018 DT. 11.04.18.</strong></td>
</tr>
<tr>
<td>1</td>
<td><strong>Name of the entity / person</strong></td>
</tr>
<tr>
<td>2</td>
<td><strong>Complete address</strong></td>
</tr>
<tr>
<td>3</td>
<td><strong>E-mail ID/ telephone / fax</strong></td>
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<tr>
<td>4</td>
<td><strong>Identification proof (in case of an individual person)</strong></td>
</tr>
<tr>
<td>5</td>
<td><strong>Views and suggestions related to:</strong></td>
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<tr>
<td>6</td>
<td><strong>a)</strong> Petroleum Products Pipeline proposed by the entity for laying, building, operating or expanding <strong>Petroleum and Petroleum Products Pipeline</strong></td>
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<td>7</td>
<td><strong>b)</strong> Other aspects of the proposal</td>
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<td>8</td>
<td><strong>c)</strong> Any other issue</td>
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<td>9</td>
<td><strong>Date:</strong></td>
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<td>10</td>
<td><strong>Place:</strong></td>
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<tr>
<td>11</td>
<td><strong>Name and Signature of Entity/ Individual Person</strong></td>
</tr>
<tr>
<td>12</td>
<td><strong>Official Seal (in case of Entity)</strong></td>
</tr>
</tbody>
</table>

**ATUL GUPTA**<br><br>**Chief General Manager (Infra Dev)**

*Signature*

**Indian Oil Corporation Ltd., (M.O.) (H.O.)**

*Address*
Ref: PNGRB/HPCL/PMHBL/EOI/01

To

The Secretary,
Petroleum & Natural Gas Regulatory Board,
1st Floor, World Trade Centre, Babar Road,
New Delhi – 110 001

(Kind Attn.: Ms. Vandana Sharma)

Sub: Submission of views on EOI by M/s. Petronet MHB Ltd to lay, build, operate or Expand Petroleum Product Pipeline from Hassan to Chitradurg (Karnataka).

Madam,

This has reference to the public notice of PNGRB (Ref: Infra/PPL/52/PMHBL/HCPL/ 01/2018 dated 11.04.2018) for submission of views on the subject EOI. We hereby submit the views of HPCL on the above in the prescribed format (Enclosed as Annexure-A).

Thanking you,

Very Truly Yours,

P. S. Murthy
Chief General Manager - Pipeline Projects

Enclosure: a/a
Annexure-A

Format for submission of views on the Expression of Interest (EOI) to lay, build, operate or expand Petroleum Product Pipeline from Hassan to Chitradurga in Karnataka State under regulation 4(1)

<table>
<thead>
<tr>
<th>Views in respect of the Expression of Interest</th>
<th>Public notice 11.04.2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Name of the entity/person</td>
<td>Hindustan Petroleum Corporation Limited</td>
</tr>
<tr>
<td>2 Complete address</td>
<td>CGM – Pipeline Projects (P.S. Murthy) 8, S.V. Marg, Ballard Estate, Mumbai – 400001</td>
</tr>
<tr>
<td>3 E-mail ID/telephone/fax</td>
<td><a href="mailto:psmurthy@hpcl.in">psmurthy@hpcl.in</a> / 022 – 22637157</td>
</tr>
<tr>
<td>4 Identification proof (in case of an individual person)</td>
<td>Not required</td>
</tr>
<tr>
<td>5 Views and suggestions related to:</td>
<td>PMHBL's proposal</td>
</tr>
<tr>
<td>a) Petroleum Products Pipeline proposed by the entity for laying, building, operating or expanding Petroleum and Petroleum Products Pipeline</td>
<td>PMHBL has proposed to lay a new petroleum product pipeline from Hassan Station of PMHBL pipeline to the Common User facility (CUF) proposed by OMCs (IOC, HPC &amp; BPC) at Chitradurga in Karnataka, with a provision to extend further up to Hubli in Future</td>
</tr>
<tr>
<td>b) Other aspects of the proposal</td>
<td>a. As per the EOI, the Petroleum products viz. MS, HSD &amp; SKO will be made available to Hassan Station from MRPL Refinery, Mangalore through the existing PMHBL petroleum product Pipeline. b. The potential estimated demand by PMHBL, as per the EOI, is:</td>
</tr>
</tbody>
</table>
2021-22 - 0.974 MMTPA
2025-26 - 1.240 MMTPA
2029-30 - 1.531 MMTPA

c. As per the EOI, the approximately length of the proposed Hassan-Chitradurga pipeline is 192.50 kms,

HPCL’s Comments

d. OMCs are proposing to set up a CUF at Chitradurga for which IOC is the lead partner.

e. The Termination point for the proposed Hassan-Chitradurga Pipeline should be the proposed OMC’s CUF location i.e. either at Chitradurga or at the location finalized by OMCs.

f. The schedule for the completion of this facility needs to be ascertained and the proposed Hassan-Chitradurga Pipeline completion should synchronize with the commissioning of CUF by OMCs at Chitradurga.

g. HPCL’s anticipated throughputs for the proposed CUF at Chitradurga will be as below:

<table>
<thead>
<tr>
<th></th>
<th>Volumes-TMT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Year</td>
<td>MS</td>
</tr>
<tr>
<td>2024-25</td>
<td>155</td>
</tr>
<tr>
<td>2029-30</td>
<td>204</td>
</tr>
</tbody>
</table>
h. The above-mentioned HPCL’s anticipated throughputs for CUF at Chitradurga could be routed through the proposed Hassan-Chitradurga Pipeline if the tariff for this pipeline is competitive and after the CUF is commissioned.

i. PNGRB may please invite M/S IOCL, BPCL as well for public consultation meeting, to enable take their Chitradura CUF requirement as well. At present majority of this region’s Industry requirement is being fed ex-Hassan.

| c) | Any other issue | As detailed in HPCL’s comments - d., e., & f under 5 b) above. |

(*) To be separately submitted for each pipeline.

Date: 07-05-2018
Place: Mumbai

P.S. Murthy,
Chief General Manager-
Pipeline Projects

[Signature]

Name and Signature of Entity/Individual Person
Official Seal (in case of Entity)

[Seal]

P.S. Murthy
Ch. Gen. Manager - Pipeline Projects
Dear Sir,

In connection with the Public Notice (Infra PP/52/PMHBL/HCPL/01/2018 dated April 11, 2018) issued by PNGRB, the views of Mangalore Refinery & Petrochemicals Ltd in the prescribed format is enclosed, for necessary action at your end.

 Regards,

Deepak Prabhakar P

Mangalore Refinery & Petrochemicals Ltd

(A Subsidiary of Oil & Natural Gas Corporation Ltd)

Mangalore - 575030
Ph - 9448495741

Our mail domain is migrated from @MRPLINDIA.COM to @MRPL.CO.IN, for future communications mark your mails to @MRPL.CO.IN

Disclaimer: This email has been sent to you by Mangalore Refinery & Petrochemicals Ltd. This email is intended solely for the addressee and the information it contains is confidential. If you are not the intended recipient (a) please delete this email and inform the sender as soon as possible, and (b) any copying, distribution or other action taken or omitted to be taken in reliance upon it, is prohibited and may be unlawful.
# Format for submission of views on the Expression of Interest for

**Hassan to Chitradurga Pipeline in Karnataka State**

<table>
<thead>
<tr>
<th>Pipeline Views in respect of the Expression of Interest</th>
<th>Infra/PPL/52/PMHBL/HCPL/01/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Name of the entity / person</td>
<td>Mangalore Refinery &amp; Petrochemicals Ltd (MRPL)</td>
</tr>
<tr>
<td>2 Complete address</td>
<td>Kuthethoor Post, Katipalla (Via) Mangalore – 575030</td>
</tr>
<tr>
<td>3 E-mail ID/ telephone / fax</td>
<td>Mail: <a href="mailto:deepakp@mrpl.co.in">deepakp@mrpl.co.in</a> Phone: 9448495741</td>
</tr>
<tr>
<td>4 Identification proof (in case of an individual person)</td>
<td>N/A</td>
</tr>
<tr>
<td>5 Views and suggestions related to:</td>
<td>PMHBL’s Proposal</td>
</tr>
</tbody>
</table>

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### a) Petroleum Products Pipeline proposed by the entity for laying, building, operating or expanding Petroleum and Petroleum Products Pipeline

**MS & HSD Supply from MRPL for OMCs**

MRPL is currently supplying more than 60% of Karnataka’s fuel demand (MS & HSD). Interior parts of Karnataka around Chitradurga (Hubballi, Dharwad, Davengere, Ranebennur etc) are being supplied by Trucks loaded with MRPL product at Mangalore and Hassan Terminals of the OMCs. The pipeline from Hassan, connecting to CUF at Chitradurga will result in easier transport of fuels to the northern part of Karnataka.

MRPL has adequate product availability at present and is expanding its capacity and will be able to meet the entire demand of Karnataka for the foreseeable future. The connectivity of Chitradurga to the Mangalore Hassan pipeline will result in assured product availability to the OMCs and also add immense flexibility of operations to the OMCs whose terminals in Managlore and Hassan can be decongested. Further issue of traffic delays and cost on account of transporting by road can also be avoided.

### b) Other aspects of the proposal

**Considerations of Capital & Operating Cost**

Linear distance from Mangalore to Chitradurga via Hassan is just around 300 kms. The nearest refinery other than Mangalore is Chennai and distance to Chitradurga via Bengaluru (Devangonti) is close to 500 kms (see map enclosed). Further considering that the Mangalore-Hassan-Bengaluru pipeline is already available and all necessary infrastructure like pumps etc are available in Petronet stations in Mangalore, Neriya and Hassan, the connection to Chitradurga (and thereby to the Northern part of Karnataka) would be possible at the lowest cost when connected at Hassan.

In addition to the lower Capital cost, the overall operating
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<tbody>
<tr>
<td>c) Any other issue</td>
<td>Cost will also be the lowest when product is supplied to Chitradurga from Mangalore. The nearest alternative will result in an additional 200+ km that petroleum products need to travel resulting in a permanent unnecessary expenditure. Considering this, the Chitradurga pipeline connection to Mangalore-Hassan-Bengaluru pipeline at Hassan will ensure that the products reach the customers at the lowest cost. <strong>Optimal Utilisation of Pipelines and Capital</strong> The objective of supplying petroleum products to all parts of the country should be achievable at the lowest possible cost – both in terms of Capital and Operating Cost. For Karnataka, this aim is achievable when product movement happens from MRPL. As MHB pipeline has not yet reached design throughputs, no additional investment is necessary on the Mangalore –Hassan leg. Since spare capacity is available in the MHB pipeline the most optimum methodology of transporting petroleum products to Chitradurga and then on to Northern part of Karnataka is from Mangalore. Considering that MRPL is in a position to supply the long term demand in Karnataka in its entirety, and considering the most effective use of scarce Capital Resources of the nation and the lower long term operation costs, all of which translate to cheaper product availability to customers, MRPL would like to express its strong support to the proposed Hassan-Chitradurga pipeline proposal by PMHBL.</td>
</tr>
</tbody>
</table>

Date: 07.05.2018  
Place: Mangalore

For Mangalore Refinery & Petrochemicals Ltd.

Deepak Prabhakar  
CGM(Corporate Strategy), MRPL

Mangalore Refinery & Petrochemicals Ltd.
Mangaluru – 575 030
Annexure - Map Showing Distances

Linear Distances

<table>
<thead>
<tr>
<th>Route</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mangalore – Chitradurga (via Hassan)</td>
<td>~300 kms</td>
</tr>
<tr>
<td>Chennai – Chitradurga (via Devangonti/ Bangalore)</td>
<td>~500 kms</td>
</tr>
</tbody>
</table>
The Secretary,
Petroleum and Natural Gas Regulatory Board (PNGRB),
1st Floor, World Trade Centre, Babar Road,
New Delhi – 110001.

Sub: Views of ONGC on Expression of Interest (EOI) to Lay, Build & Operate
Petroleum Product Pipeline from Hassan to Chitradurga in Karnataka State
filed by our Subsidiary Petronet MHB Limited (PMHBL).

Ref: PNGRB Public Notice No. Infra/PPL/52/PMHBL/HPCL/01/2018 dated 11th
April, 2018.

Dear Sir,

At the outset we are thankful to you for initiating Public Consultation Process for
EOI submitted by one of our subsidiary company, M/s. Petronet MHB Limited for laying
Pipeline from existing Hassan Station to Chitradurga in Karnataka State. The extension
of Pipeline will go a long way in providing an economic, safe and environmental friendly
transportation of Petroleum Products to the hinterlands of Karnataka State.

As you are aware, our another subsidiary company M/s. Mangalore Refinery &
 Petrochemicals Limited (MRPL) at Mangalore in Karnataka State is catering to the
needs of petroleum products to majority locations in hinterland Karnataka through
PMHBL Pipeline from Mangalore – Neriya – Hassan – Devongonthi. In addition, the
refinery is planning an expansion of refining capacity from 15 MMT to 21 MMT by
2021-22 and the pipeline extension upto Chitradurga would facilitate in evacuation of
locally produced additional petroleum products of MRPL and in turn augmenting the
refinery margins.

With ONGC as a holding company for all the 3 companies’ viz. PMHBL, HPCL
and MRPL, we give our consent and assure to extend all our support and expertise for
the proposed extension of PMHBL Pipeline from Hassan to Chitradurga.

Cond...P/2.
We request your expeditious processing of EOI submitted by PMHBL for laying of Pipeline from Hassan to Chitradurga.

Thanking You,

Yours sincerely,

( Rakesh Kaul )
GM-Chief BD&JV