



IMC LIMITED

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22nd Mar 2019

To
The Deputy Adviser
Petroleum and Natural Gas Regulatory Board
1st Floor, World Trade Centre
Babar Road
New Delhi – 110001

Kind Attn: Mr. Tanweer Akhter

Dear Sir,

Sub: Open House discussion w.r.t Public Notice No. Infra/PPL/69/IMC /KSPL/18, dated 12.02.2019 on the EoI submitted by IMC Limited for laying, building, operating or expanding petroleum and petroleum products (LPG) pipeline from Kandala to Samakhiali.

This is reference to your letter Infra/PPL/69/IMC/KSPL/18 dated 20th Mar 2019. Please find below our response to comments and views received from the entity/stakeholder.

S.No	Entity	comments / views from the entity	IMC response
1	GAIL (India) Limited	As per the technical data mentioned in subject EOI, the proposed LPG Pipeline will originate at Kandla and terminate at Samakhiali, Kutch (Gujarat). It is not clear from the EoI whether proposed pipeline will be "standalone" LPG pipeline or act as a feeder pipeline for onward transportation of LPG to demand centers.	It will be a feeder pipeline for onward transportation of LPG to demand centers and would tap into JLPL at Samakhiali.
2		It is presumed that LPG (0.6 to 1 MMTPA) will be imported by IMC at Kandla. However, the EoI does not indicate whether any tie-up has been made by IMC with prospective Shipper(s) for utilizing the capacity of the proposed LPG pipeline.	The said LPG will be imported by one of the PSU oil company and transported from Kandla to Samakhiali and will be connected to JLPL at Samakhiali
3		The EoI mentions total potential demand of 1.2 MMTPA LPG to be catered through the proposed pipeline. Details of the demand centers along the proposed pipeline may be clarified	As explained in point no.2, LPG imported by the PSU oil company will be catered to their bottling plants in the JLPL route.

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4	<p>EOI does not indicate whether the proposed LPG pipeline will be connected to GAIL's existing Jamnagar-Loni Pipeline (JLPL) at Samakhiali for onward transportation of LPG to JLPL's tap-off points.</p> <p>If at all proposed pipeline is intended to be connected to GAIL's JLPL, then it may be noted that JLPL's capacity down-stream of Samakhiali, post ongoing augmentation project, shall be increasing from the present 2.5 to 3.25 MMTPA, which will be barely enough to cater the LPG input from the three existing Sources connected to JLPL viz. RIL Jamnagar, Nayara Energy Vadinar and IOCL Kandla. Hence, for additional transportation of IMC's proposed LPG throughput (upto 1.2 MMTPA), there would be capacity constraint in JLPL and would necessitate augmentation of JLPL capacity beyond 3.25 MMTPA.</p>	<p>IMC is in discussion with a PSU Oil Company for developing a cryogenic import terminal at Kandla and redelivery of LPG into JLPL Pipeline. The proposed Kandla Samakhiali Pipeline will connect JLPL pipeline at Samakhiali for onward transportation of LPG.</p> <p>The PSU Oil Company will import LPG through IMC's LPG terminal at Kandla for injecting into JLPL pipeline at Samakhiali.</p> <ol style="list-style-type: none">1. This oil PSU is currently holding 29% or 0.725 MMTPA volume stake in the JLPL pipeline and is importing LPG through IOC import terminal and moving close to 0.4 MMTPA of the imported LPG through the JLPL pipeline.2. With the increase in JLPL capacity from 2.5 MMTPA to 3.25 MMTPA this PSU's LPG stake in the pipeline would increase from 0.725 to 0.95 MMTPA. The differential LPG of 0.225 MMTPA would have to be imported.3. It is envisaged that this 0.4 MMTPA of LPG along with the differential requirement of 0.225 MMTPA would immediately shift to IMC's import terminal and proposed pipeline. This volume would be followed by the future growth in import by the PSU along with room for common carrier capacity in the pipeline.
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We also wish to attend Open House discussion on 5th Apr 2019 at 12:00 hrs. at your office to clarify any other queries arise in the discussions.

Thanking you,

Yours faithfully
for **IMC Limited**



A. Beer Ali
Chief Executive Officer - Liquid / Gas Storage