

### Indian Oil-Petronas JV to retail petrol, diesel, natural gas

- Indian Oil is planning to launch a new fuel and gas retail venture in partnership with Malaysia's Petronas.
- Indian Oil Petronas Pvt. Ltd. (IPPL), a two-decade-old joint venture in which the two firms hold equal stakes, will now get into retailing of transportation fuels as well as natural gas in India.
- IPPL is currently engaged in the import, storage, and bottling of LPG.
- IPPL intends to have a separate brand identity for its fuel retail business and the new venture could be interpreted as a kind of monetization of Indian Oil's fuel marketing business.
- Petronas is an integrated oil and gas company owned by the Malaysian government.

### Maharashtra State Road Transport Corp plans shift from diesel to LNG

- The state bus corporation, MSRTC, plans to make its entire fleet of 18,000 buses run on green fuel.
- It has begun converting 500 of its polluting diesel buses to LNG and has invited bids this week.
- In phase II, 1,000 buses will be converted into CNG and later 2,700 buses to electric.
- MSRTC also for the first time floated tenders this week to procure 500 ordinary buses on wet lease.
- As per new electric vehicle policy, 15% of their fleet will be converted into electric.
- LNG is a new experiment and they will have 500 buses plying across the state on this green fuel.

### Final phase of Ennore LNG pipeline to be completed by Feb 2022

- Indian Oil has said it will complete the final phase of Ennore LNG pipeline by February, 2022 which will link Ennore and Ramnad.
- The 1,444 km long LNG pipeline, which is being laid by the pipelines division of IOC, has completed about 85% of the work.
- The LNG Pipeline commencing from this terminal in Ennore would run alongside the existing Chennai, Trichy, Madurai pipeline for liquid fuels and touch all these major cities.
- The main Pipeline would be connected through branch lines and spur lines to all the major commercial and industrial clusters in Kanchipuram, Asanur, Puducherry, Sriperumbudur, Cuddalore, Nagapattinam.

### The crucial role of natural gas in India's decarbonization

- Climate change is increasingly becoming one of the most dominant areas of concern globally. With a growing shift towards embracing deep decarbonization, various countries are considering different energy options and transition pathways in moving towards low and zero-carbon economies.
- As countries evaluate their energy sources and look forward to adopting cleaner options, natural gas will play a very important role in the energy transition. Gas, basis availability and price, brings differentiated value to different economies.
- As gas become more competitive, it will help advance decarbonization by coal to gas switching in power and oil to gas switching in transportation/industry.
- Looking at India's primary energy mix, gas constitutes only 6% of the mix and the key reasons for its limited share include high cost of gas, limited supply options and inadequate infrastructure.
- The government has already set the machinery in motion to achieve its ambitious plan to increase the share of natural gas in the country's energy mix to 15% by 2030.
- The gas market in India is rapidly growing, its role keeps varying from sector to sector and is evolving over time and it emerges as an exceptional option not only for minimizing the carbon intensity of sectors that are classified as hard-to-abate but is also standing out in serving as a complement to variable renewables.
- Even after renewables take up major share, gas will still have a critical role in balancing intermittency and seasonal demand in enabling greater penetration of variable renewables.
- The Government has been driving the development of cross-country Natural Gas Grid to connect all the regions of the country through favorable policy framework.
- Looking at the current and emerging energy landscape and the corresponding transition required in the country, the role of gas in the decarbonization of India will not be transitory, but it will be part of the end-game.

### Aramco in advanced talks on up to \$25 billion Reliance deal

- Saudi Aramco is in advanced talks to acquire a roughly 20% stake in Reliance Industries Ltd's oil refining and chemicals business for about \$20 billion to \$25 billion in Aramco's shares.
- Reliance announced a sale of a 20% stake in its oil-to-chemicals business to Aramco for \$15 billion in 2019, but the deal stalled after oil prices and demand crashed last year due to the pandemic.
- Addressing the shareholders in its 44th Annual General Meeting this June, Reliance chairman Mukesh Ambani said it hopes to formalize its partnership with Aramco this year and its chairman and the Governor of the Public Investment Fund Yasir Al-Rumayyan will join the Indian conglomerate's board as an independent director.
- The shares of Reliance Industries jumped nearly 3 per cent on report of these talks.

### Vedanta makes gas discovery in Gujarat

- Vedanta earlier this week said it has made a natural gas discovery in a block in Gujarat that it had won in the open acreage licensing policy (OALP) round.
- In a regulatory filing, the firm said that they have notified the DGH and Ministry of Petroleum and Natural Gas on August 23, 2021, of a gas and condensate discovery named Jaya in its exploratory well Jaya1 (earlier Jambusar-Updip-1), drilled in OALP Block CB-ONHP/2017/2 in Bharuch District of Gujarat.
- The approval of the management committee has also been sought. The block was awarded to the company in October 2018 and is one of the 41 areas awarded to it in OALP-I round of bidding. The company holds 100 per cent participating interest in the block.
- Jaya-1 is the third well drilled in Gujarat and the second hydrocarbon discovery notified by the company under the OALP regime.

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