

Case Studies: Input Feed Logistics Design for India's Largest Oil & Gas PSU for their new Polymer Plant

Optimization of input feed Naphtha multimodal movement from various locations (domestic & Arab Gulf)



Industry

- Oil & Gas

Business Scenario

- Determine optimal input feed naphtha from various sources to the proposed project location.

Our Solution

- Multimodal logistics design that delivers most cost efficient inbound logistics.

Benefits

- Most optimal multimodal logistics design based on-ground reality and accurate spend projections.

Background

Client is India's largest commercial enterprise with sales turnover of over USD 61.70 bn. It owns and operates 10 of India's 19 refineries. It is also the 18th largest petroleum company in the world and a Fortune 500 firm.

Business Scenario

The company has decided to set up a new polymer plant of 1000 TMTPA capacity, which requires input feed of 2725 TMTPA of Naphtha. This will be sourced from multiple domestic & foreign refineries/locations.

The client wanted to determine the most optimal feed movement from the various sources to the proposed project site. This optimality is based on – capital and operational investments, feasibility, infrastructure and environmental cost.

Our Solution

- Identify all possible movement options across modes and multimodal. Support this identification stage with site visits of identified Naphtha sources to evaluate feasibility, infrastructure availability and other details.
- Compare various logistics options – Coastal, Road, Rail & Pipeline – in terms of physical feasibility, capital investments, operational expenditure.
- Rigorous evaluation that includes non-cost parameters & a comprehensive Discounted Cash Flow based spend valuation of projected spend.
- Suggest infrastructural requirements and investments (storage tankage, Rail Gantry, cross-country Pipeline) at source & destination points.

Benefits

- Most optimal multimodal logistics design selection from all possible options based on rigorous analysis that is comprehensive in terms of both cost & non-cost factors.
- Analysis based on-ground reality at every sourcing location, and hence leading to implementable recommendations.