8.8. § Appendix No. 8 The Company's History and Outlook

Year	Development Stages
before 1993	In 1970, the Chief Directorate for Oil Transportation and Supply (Glavtransneft) was established with an eye on transporting crude oil from oilfields to domestic and foreign consumers. By 1987, 94,000 km of oil and petroleum products trunk pipelines were built all across the country. After the dissolution of the USSR, only about 44,500 km of trunk pipelines were left on the territory of Russia, along with 316 pumping stations and a tank farm with the total volume of 13,200,000 m^3.
1993	The Council of Ministers (the then Russian Government) issued a resolution on founding Transneft, a joint-stock oil transportation company.
2000	An oil pipeline bypassing the territory of the Chechen Republic was commissioned, thus increasing the reliability of Azerbaijani oil transit via the Baku – Tikhoretsk – Novorossiysk route.
	Construction of the Baltic Pipeline System (BPS) began, which was the first north-west route for transportation of Russian oil, which would not depend on transit through the territory of neighbouring states.
2001	Construction of the Sukhodolnaya – Rodionovskaya oil pipeline was completed, allowing to transport Russian oil towards the port of Novorossiysk bypassing the territory of Ukraine.
	Phase I of the BPS with the capacity of 12 million tonnes that linked oilfields in the Timan-Pechora Oil and Gas Basin, Western Siberia, the Urals and the Volga basin with the oil terminal in the port of Primorsk.
2003	The BPS's throughput capacity was gradually increased to 18 million tonnes and then to 30 million tonnes a year.
2004	Thanks to the construction of extra PSs and an increased tank farm volume in the port of Primorsk, the BPS's throughput capacity was brought to 42 MTPA and then to 50 MTPA.
2006	Construction of Phase I of the Eastern Siberia – Pacific Ocean pipeline system (ESPO PS) began, opening a new export oil transportation route and enabling national oil companies to enter markets in Asia and the Pacific. The BPS throughput capacity reached 74 MTPA.
2007	Integration of the petroleum products trunk pipelines operator Transnefteproduct into the Transneft Group system began. Welding of the first thousand kilometers of the ESPO pipeline was celebrated with an official ceremony.
2008	The Sever Project was commissioned.
2009	The first joint of the Skovorodino – Mohe oil pipeline was welded, enabling supply of Russian crude oil to China.
	Construction of Phase II of the Baltic Pipeline System (BPS-2) began, which was intended for export of Russian oil via the port of Ust-Luga.
	Phase I of the ESPO was commissioned. The first 100,000 tonnes of Russian oil were loaded onto the Moskovsky Universitet (Moscow University) tanker in the port of Kozmino.
2010	Construction of Phase II of the ESPO pipeline system began.
	The Skovorodino – PRC border oil pipeline was commissioned.
	Construction of the Purpe – Samotlor oil pipeline began, which is part of the Zapolyarye – Purpe – Samotlor pipeline system, the northernmost oil trunk pipeline in Russia.
2011	The Purpe – Samotlor oil pipeline was commissioned, which linked the western and eastern parts of the Russian oil pipeline system.
2012	The first batch of Russian oil transported via the BPS-2 oil pipeline was shipped from the port of Ust-Luga.
	Construction of the Zapolyarye – Purpe oil pipeline began to ensure crude oil intake into the system of trunk pipelines from new oilfields in Yamal-Nenets Autonomous Area and the north of Krasnoyarsk Territory.
	Facilities of the ESPO's Phase II were commissioned, which allowed for the transportation of oil within the section from Skovorodino to Kozmino via the trunk pipeline.
2013	The first joint of the Kuyumba – Tayshet trunk pipeline was welded for oil intake from the Yurubchen – Tokhoma and Kuyumba oil and gas fields.
2014	Implementation of the Sever-15 project anticipating development of a trunk pipeline system to build up export supplies of diesel fuel via the port of Primorsk to 15 MTPA started.
2016	A plant was commissioned in Chelyabinsk to arrange domestic manufacture of pumping equipment (Transneft Oil Pumps).
	The Sever-15 project was completed.
	Implementation of the Sever-25 project began to increase export supplies of diesel fuel via the port of Primorsk to 25 MTPA.
	The Zapolyarye – Purpe and Kuyumba – Tayshet oil pipelines were commissioned.
2017	Throughput capacity of the Skovorodino – Mohe pipeline was expanded to 30 MTPA.
	The Yug-1 project and Stage 1 of the Yug-2 project were completed, ensuring diesel fuel supplies to the domestic market along with export to Europe via the port of Novorossiysk in the amount of up to 6 MTPA.

Year	Development Stages
2018	A plant of Russian Electric Motors was commissioned in Chelyabinsk.
	The possibility of loading diesel fuel onto tank vehicles at the Nevskaya LODS was provided.
	The quality of oil transported to the West for export and to Russian refineries was stabilised as the Company implemented measures for the construction of the Nizhnevartovsk — Aleksandrovskaya and Yaroslavl — Yaroslavl-3 crossover line and an oil blending station in Samara.
	The capacities to supply aviation kerosene and LUKOIL-produced motor petrols to consumers in the Moscow region were provided.
	The throughput capacity of petroleum products pipelines to the port of Primorsk (the Sever Project) was increased from 15 to 25 MTPA.
	The Tinguta initial pumping station got the possibility to accept additional volumes of light petroleum products into the PPTP system from tank cars.
	The throughput capacity of the OTP supplying oil to TANECO's refineries was increased to 14 MTPA.
2019	50.11% of shares (controlling stake) in NCSP was transferred to direct ownership.
	The implementation of the ESPO PS – Komsomolsk Refinery Oil Pipeline Offshoot investment project was completed. The technical capacities for oil supply through the oil trunk pipeline system to the Komsomolsk Refinery in the amount of up to 8 MTPA were provided.
	The expansion of the Usa – Ukhta and Ukhta – Yaroslavl oil trunk pipelines' throughput capacity was completed, and the technical capability to receive additional oil volumes from the Timan-Pechora region into the oil trunk pipeline system at the Ukhta-1 PS was ensured.
	A plant to produce drag-reducing agents was launched in Yelabuga (the Republic of Tatarstan).
	The ESPO PS was brought to its maximum design capacity: – within the Tayshet IPS – Skovorodino PS section to 80 MTPA – within the Skovorodino PS – Kozmino SSOP section to 50 MTPA Implementation of investment projects to expand the ESPO PS was completed.
	A new industrial facility was commissioned at Tyumen Machinery and Repair Plant (TMRP) in Tyumen to manufacture domestic equipment used in construction and operation of the pipeline system.
	Within the Revamping Oil Trunk Pipelines for Transportation of Oil to Refineries in Krasnodar Territory project, the Ilsky Refinery was connected to the Novovelichkovskaya – Krasnodar oil trunk pipeline.
	A standby leg of the underwater crossing across the Amur River was commissioned. The standby leg commissioning increased the operational reliability of the ESPO-2 PS increased.
Plans for 2020	To continue comprehensive revamping of major transportation hubs of the oil and petroleum products trunk pipeline systems.
	To complete the project to revamp oil trunk pipelines for oil transportation to refineries in Krasnodar Territory and connect the Afipsky Refinery to the Novovelichkovskaya – Krasnodar oil trunk pipeline.
	To revamp oil depot No. 2 facilities (petroleum products) to increase the throughput capacity of the Primorsk – Vysotsk PPTP.
	To upgrade and modernise the existing fixed assets as part of the Technical Upgrading and Revamping Programme.

For more details see the Transneft's web site