

ENAP also constructed the 350 km pipeline between the Concon refinery and San Fernando which was placed into operation in mid - 1967.

Hence, a 620 km pipeline network was brought into connection with the central area of the country which accounts for 70% of liquid fuel consumption. In the Magallanes area, there exists an extensive network of gas and oil pipelines, both inland and offshore.

The rest of the country is supplied through sea shipping, except for the XII Region in Magallanes where ENAP has at its disposal a network of oil pipelines that transport different products from the existing deposits to the various treating plants and then on to loading and final distribution terminals. Within the context of bi-national integration, the *TransAndean Oil Pipeline* was inaugurated in February 1994. Its objective is that of transporting crude oil from Puerto Hernandez, in Neuquen, Argentina, to Talcahuano in Chile. The pipeline belongs to two companies: *Oleoducto Trasandino S.A. (Chile)*, and *Oleoducto Trasandino S.A. (Argentina)*. They are subject to the pertinent regulations emanating from their respective countries. Since its inauguration on June 1, 1994, it has transported 3.6 Mm³ of crude oil, 69% for the Petrox Refinery, and 19% for the RPC refinery in Concon. The remaining 12% was exported. 79.5% of the transported oil was produced by YPF, S.A. and 20.5% by *Petrolera Argentina San Jorge, S.A.*

Storage

The construction of refineries meant the concomitant construction of storage facilities with which the public could be better supplied with fuels. This also meant constructing storage facilities for the refineries themselves and a loading terminal in Quintero.

In general, the geographic storage capacity for clean and oil fuels can be summarized as follows: 32% in the V Region; 30% in the VIII Region, 12% in the XII Region, 11% in the Metropolitan Region, and 15% in the remaining regions of the country.

Distribution

Initially, the fuel market operated through concessions to three private companies: COPEC, SHELL, and ESSO. In 1978, wholesale distribution was liberalized. By 1982, petroleum derivatives were governed by free prices, with the exception of LPG in the XI and XII Regions.

As of 1979, when 1964 Decree Law #20 (which prevented the establishment of partnerships in the area of distribution) was abolished, the following firms entered the market: COMAR, in 1981; ENEX, in 1984 (ENEX became a SHELL affiliate in 1986);