TLP:WHITE



Hurricane Delta | Update #2

REPORT TIME & DATE: 10:00 AM EDT | Sunday, October 11, 2020

REPORT DISTRIBUTION: Public

EXECUTIVE SUMMARY

Delta made landfall as a category 2 hurricane at approximately 6:00 PM local time on Friday, October 9, near Creole, Louisiana. As of 4:00 AM CDT, October 11, Delta's center was located about 65 miles east north east of Tupelo, Mississippi and had been downgraded to a Post-Tropical Cyclone with maximum sustained winds of 30 MPH. Further weakening is forecast over the next 24 hours. The DOE Energy Response Center remains activated to manage Emergency Support Function #12 activities and to coordinate with industry partners in response to Hurricane Delta.

Electricity Sector Summary

- As of 7:30 AM EDT, there were approximately 483,000 customer outages reported across Louisiana, Texas, Arkansas, Mississippi, Alabama, and Tennessee, according to utility reports and the Louisiana Public Service Commission. Approximately 372,000 of the customer outages are in Louisiana.
- Utilities in the impacted areas have begun damage assessments and restoration efforts are underway as conditions permit.
- Prior to the storm, utilities pre-staged crews, equipment, and materials, and mutual assistance networks were activated to support restoration efforts as needed. Industry reports that nearly 12,000 workers from at least 20 states have been mobilized to support restoration efforts.

Oil & Natural Gas Sector Summary

- Several refineries in Beaumont and Port Arthur, Texas have reported power outages and wind damage to their facilities from Hurricane Delta. In addition, several refineries in Lake Charles, Louisiana remain shut down or at reduced capability due to previous impacts from Hurricane Laura or Hurricane Sally. Most refineries in the New Orleans and Baton Rouge areas of Louisiana planned to keep operating through Hurricane Delta.
- The port of Lake Charles, Louisiana remains closed. The ports of Morgan City, Louisiana; Beaumont, Texas; and Port Arthur, Texas have reopened with restrictions. The ports of New Orleans, Baton Rouge, and Houston have returned to Port Status Normal.
- As of 12:30 PM EDT, October 10, 92% of the oil production and 62% of the natural gas production in the federally administered areas of the U.S. Gulf of Mexico remain shut-in, according to estimates by the Bureau of Safety and Environmental Enforcement (BSEE). Production was shut-in as a precaution prior to the storm.
- The refinery and offshore production shut-ins are not anticipated to cause any immediate fuel supply issues as U.S. and Gulf Coast stocks of gasoline, diesel, and crude oil are at or above their 5-year averages.



ELECTRICITY SECTOR

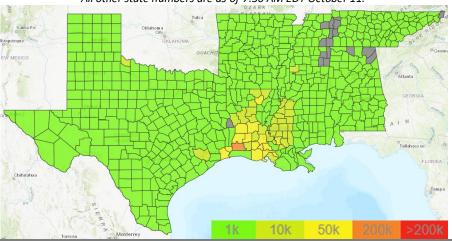
POWER OUTAGES

As of 7:30 AM EDT, October 11, there are 483,486 customer outages across Louisiana, Texas,
 Mississippi, Arkansas, Alabama, and Tennessee due to Hurricane Delta.

Customer Power Outages as of 7:30 AM EDT 10/11/2020							
State	Current Outages	% of State Without Power	Peak Storm Outages	% Customers Restored from Peak			
Louisiana*	372,029	17.4	688,180	46%			
Texas	68,616	<1	118,674	42%			
Mississippi	38,058	3.2	99,486	62%			
Alabama	1,796	<1	6,395	72%			
Tennessee	1,694	<1	7,092	76%			
Arkansas	1,293	<1	8,037	84%			
Total	483,486	-	-	-			

*Louisiana numbers via the <u>Louisiana Public Service Commission</u> as of 7:00 AM EDT October 11.

All other state numbers are as of 7:30 AM EDT October 11.



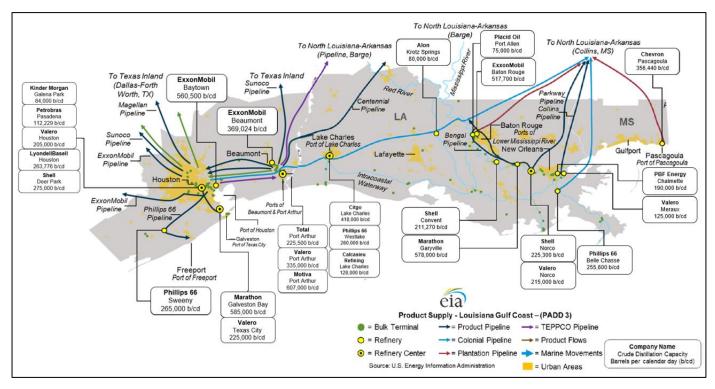
RESTORATION OVERVIEW

- Utilities are beginning damage assessments and restorations as conditions permit. Fluctuation in the outage numbers is expected and normal during large-scale restoration efforts.
- Utilities pre-positioned crews, materials, and equipment in advance of the storm.
- Utilities typically follow an overall plan to restore service to customers. After power is restored
 to essential services and facilities critical to public health and safety, crews focus on repairing
 lines that will return service to the largest number of customers in the least amount of time.
 Power is restored systematically to neighborhoods, industries, and businesses and then to
 individual homes and small groups of customers
- DOE will work with industry partners to determine if there are any locations were outages may be extended.



OIL AND NATURAL GAS SECTOR

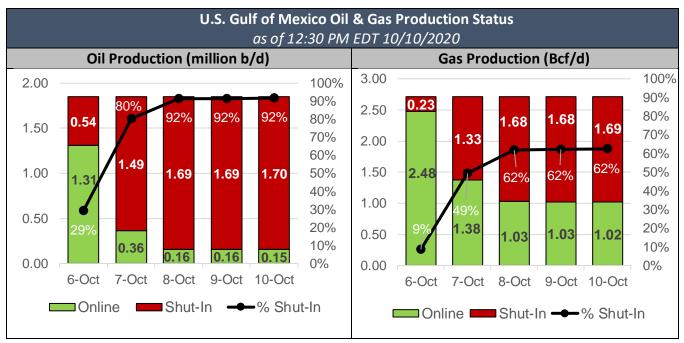
Just over half of total U.S. refining capacity is located in the Gulf Coast (PADD 3) region. Gulf Coast refinery production is critical for supplying fuels to markets in the high-demand East Coast (PADD 1) region. Products move out of the Gulf Coast region on the Colonial and Plantation pipeline systems to Southeast and Central Atlantic markets, and via tanker and barge to Florida. The Gulf Coast refineries export approximately 20% of production to foreign countries. This provides a significant "export buffer," allowing refiners to shift fuel production away from exports to make up for shortages in domestic markets. The map below highlights the petroleum supply chain in the Louisiana and Texas Gulf Coast regions.





OFFSHORE PRODUCTION

- As of 12:30 PM EDT, October 10, 1.70 million barrels per day (b/d) (91.72%) of the oil production and 1.69 billion cubic feet per day (Bcf/d) (62.43%) of the natural gas production in the federally administered areas of the U.S. Gulf of Mexico are shut-in, according to estimates by the Bureau of Safety and Environmental Enforcement (BSEE).
- In addition, BSEE reports that 276 out of 643 manned platforms have been evacuated; 7 out of 10 non-dynamically positioned rigs have been evacuated; and 1 out of 17 dynamically positioned rigs has moved out of the storm's path as a precaution.



Source: BSEE

PORTS

- Louisiana Offshore Oil Port (LOOP) is open as of October 10. LOOP is the only U.S. port capable of receiving very large crude carriers (VLCCs).
- The U.S. Coast Guard has set the following conditions for ports and waterways as a result of Hurricane Delta. Listed in the table are select ports that receive petroleum products.

Status of Gulf Coast Ports as of 8:00 AM EDT 10/11/2020								
Port	Inbound Petroleum * (b/d)	Status	Date Stamp					
Alabama								
Mobile, AL	191,000	Open with draft restrictions. Port Status Normal.	10/9					
Mississippi								
Pascagoula, MS	131,000	Open. Port Status Normal.	10/9					
Louisiana								
Baton Rouge, LA	83,000	Open. Port Status Normal.	10/10					
Gramercy, LA	Gramercy, LA 110,000 Open. Port Status Normal		10/10					
New Orleans, LA	New Orleans, LA 201,000 Open. Port Status Normal		10/10					
Morgan City, LA	Morgan City, LA 208,000 Open with restrictions. Port Status Normal.		10/10					
Lake Charles, LA	Lake Charles, LA 394,000 Closed. Port Status Zulu.		10/8					
Texas								
Port Arthur, TX	358,000	Open with restrictions. Port Status Recovery.	10/10					
Beaumont, TX	Beaumont, TX 365,000 Open with restrictions. Port Status Recovery.		10/10					
Freeport, TX	94,000	Open. Port Status Normal.	10/10					
Galveston, TX	33,000	Open. Port Status Normal.	10/10					
Houston, TX	894,000	Open. Port Status Normal.	10/10					
Texas City, TX	113,000	Open. Port Status Normal.	10/10					

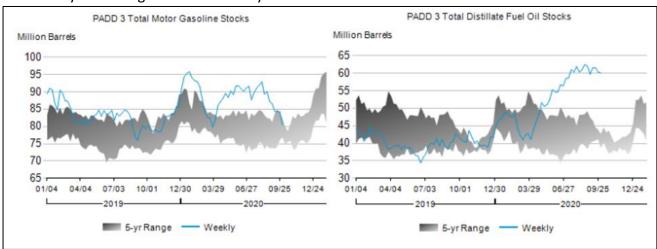
 $^{{}^{*}\}text{Crude}$ oil and product foreign imports and domestic movements in 2018.

Source: Receipt data from EIA Company Level Imports, U. S. Army Corps of Engineers Waterborne Commerce Statistics Center



FUEL STOCKS

For the week ending on October 2, 2020, the Gulf Coast (PADD 3) had 80.4 million barrels of total gasoline stocks, according to the Energy Information Administration (EIA). This is 2% higher than the 5-year average for this time of year. For the week ending on October 2, the Gulf Coast had 60.0 million barrels of total distillate stocks, according to EIA. This is 41% higher than the 5-year average for this time of year.



 Overall U.S. stocks for transportation fuels (gasoline, jet fuel, and diesel) stood at 438.1 million barrels for the week ending October 2, 2020, approximately 6.3% above the 5-year average for the time of year. Gasoline stocks are even with the seasonal 5-year average, distillate stocks are 21.9% above their respective seasonal 5-year averages, while jet fuel stocks are 9.6% below its respective 5-year average.



EMERGENCY DECLARATIONS & WAIVERS

EMERGENCY DECLARATIONS

To provide vital supplies and transportation services to a disaster area in the United States, emergency declarations may be issued by the President, Governors of States, or Federal Motor Carrier Safety Administration (FMCSA). These declarations trigger the temporary suspension of certain Federal safety regulations, including Hours of Service, for motor carriers and drivers engaged in specific aspects of the emergency relief effort. See 49 CFR 390.23 for the actual emergency regulation.

Emergency Declarations and HOS Waivers as of 8:00 AM EDT 10/11/2020								
State/Torritory	Details	Effective Dates		Ctatus				
State/Territory	Details	Start	End	Status				
AL, FL, LA, MS, & TX	FMCSA Hours of Service Waiver	10/7	11/6	Active				
Louisiana	State of Emergency	10/6	11/4	Active				
	Presidential Declaration of Emergency	10/6	Until rescinded	Active				
Alabama	State of Emergency	10/6	Until rescinded	Active				
	ADEM Gasoline Loading Enforcement	10/0	10/23	Active				
	<u>Discretion</u>	10/9						
Mississippi	State of Emergency	10/7	Until rescinded	Active				
	Presidential Declaration of Emergency	10/7	Until rescinded	Active				

Sources: State government and the White House websites.

WAIVERS

- PHMSA Emergency Stay of Enforcement for Operators Affected by Hurricane Delta: On
 October 9, the Pipeline and Hazardous Materials Safety Administration (PHMSA) issued an
 emergency stay of enforcement for pipeline and LNG facility operators impacted by Hurricane
 Delta. PHMSA will not take enforcement action relating to noncompliance with federal
 operator qualifications, certain training requirements, nor employment drug testing
 requirements for personnel involved in response and recovery efforts related to Hurricane
 Delta. The order is valid for 45 days.
- PHMSA Waiver of Hazardous Materials Regulations: On October 9, the Pipeline and Hazardous
 Materials Safety Administration (PHMSA) issued an emergency waiver <u>order</u> declaring an
 emergency in Louisiana and Mississippi in relation to Hurricane Delta. The waiver relaxes
 certain requirements for the transportation of hazardous materials and is intended to support
 the U.S. Coast Guard and EPA in their response to Delta. The order is valid for 30 days.

