



Hurricane Laura | Update #2

REPORT TIME & DATE: 11:00 AM EDT | Wednesday, August 26, 2020

REPORT DISTRIBUTION: Public

EXECUTIVE SUMMARY

As of 8:00 AM EDT, Hurricane Laura was 280 miles south-southeast of Lake Charles, Louisiana, moving northwest at 15 MPH, with maximum sustained winds of 115 MPH. Laura is forecast to approach the upper Texas and southwest Louisiana coasts this evening and move inland near those areas tonight or Thursday morning. The DOE Energy Response Center remains activated to coordinate with interagency, state, and industry partners.

Electricity Sector Summary

• There are no electricity impacts at this time.

Oil & Natural Gas Sector Summary

- The ports of Lake Charles, Beaumont and Port Arthur have closed in anticipation of Hurricane Laura. The ports of Houston, Galveston, Freeport, Texas City, and Corpus Christi are under Port Condition Yankee, which means they are closed to all inbound traffic.
- All refineries in the Beaumont/Port Arthur area and the Lake Charles area and several refineries in the Houston/Galveston area are reportedly in the process of shutting-in operations in advance of the storm.
- Due to potential impacts from Laura, as of 12:30 PM EDT, August 25, 84% of the oil production and 61% 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).
- Per the Energy Informational Administration, for the week ending on August 14, overall U.S. stocks of gasoline and distillate were 6.7% and 23.7% above the seasonal 5-year average. Jet fuel is slightly below the average, but within the 5-year range. Across the Gulf Coast, stocks of gasoline, distillate, and jet were 12.6%, 39.3%, and 6.7% above the 5-year average respectively. Gulf Coast stocks of crude oil were 23.8% above the 5-year average.

LAURA

As of 8:00 AM EDT, Hurricane Laura was 280 miles south-southeast of Lake Charles, Louisiana, moving northwest at 15 MPH, with maximum sustained winds of 115 MPH. Hurricane-force winds extend outward up to 70 miles from the center and tropical storm-force winds extend outward up to 175 miles. On the forecast track, Laura should approach the upper Texas and southwest Louisiana coasts this evening and move inland near those areas tonight or Thursday morning.

From this afternoon through Friday, Laura is expected to produce rainfall totals of 5 to 10 inches, with isolated maximum amounts of 15 inches across portions of the northwestern Gulf Coast from western Louisiana to far eastern Texas, and northward into much of Arkansas. Over the lower to middle Mississippi Valley from central Louisiana into western Tennessee and Kentucky, and southeastern Missouri, 2 to 4 inches of rainfall with isolated totals of 6 inches are expected.

A hurricane warning is in effect for San Luis Pass, Texas to Intracoastal City, Louisiana. A hurricane watch is in effect for east of Intracoastal City, Louisiana to west of Morgan City, Louisiana. A tropical storm warning is in effect from Sargent, Texas to San Luis Pass, Texas and from east of Intracoastal City, Louisiana to the mouth of the Mississippi River. A storm surge warning is in effect from Freeport, Texas to the mouth of the Mississippi River. A storm surge watch is in effect from the mouth of the Mississippi River to Ocean Springs, Mississippi, including Lake Pontchartrain, Lake Maurepas, and Lake Borgne.



ELECTRICITY SECTOR

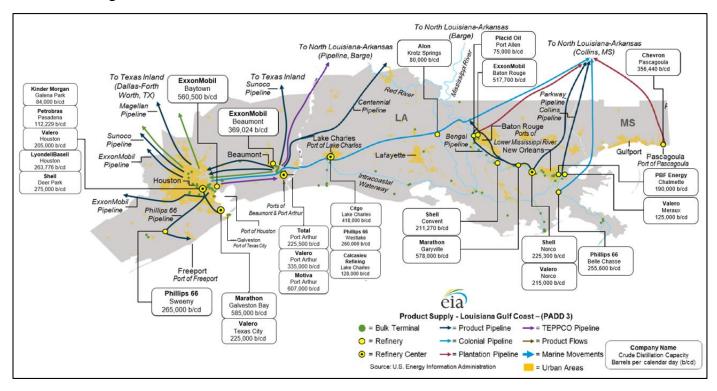
POWER OUTAGES

- There are no electricity impacts at this time.
- Potentially affected utilities are preparing for impacts from Hurricane Laura, including prepositioning crews, materials, and equipment. Mutual assistance networks are holding preparedness calls to support post-storm restoration efforts as needed.



OIL AND NATURAL GAS SECTOR

Just over half of the 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.





PORTS

- Louisiana Offshore Oil Port (LOOP) has suspended operations at its marine terminal as of August 23, per standard procedure. LOOP is the U.S. port capable of receiving very large crude carriers (VLCCs). LOOP's Clovelly Hub deliveries remain normal.
- The U.S. Coast Guard has set the following conditions for ports and waterways as a result of Hurricane Laura. Listed in the table are select ports that receive petroleum products.

Status of Gulf Coast Ports as of 8:00 AM EDT 08/26/2020						
Port	Inbound Petroleum * (b/d)	Status	Date Stamp			
Alabama						
Mobile, AL	191,000	Open.	8/25			
Mississippi						
Pascagoula, MS	131,000	Open.	8/25			
Louisiana						
Baton Rouge, LA	83,000	Open with restrictions. Port Condition Yankee.	8/25			
Gramercy, LA	110,000	Open with restrictions. Port Condition Yankee.	8/25			
Morgan City, LA	208,000	Closed. Port Condition Zulu.	8/23			
New Orleans, LA	201,000	Open with restrictions. Port Condition Yankee.	8/25			
Lake Charles, LA	394,000	Closed. Port Condition Zulu.	8/26			
Texas						
Port Arthur, TX	358,000	Closed. Port Condition Zulu.	8/26			
Beaumont, TX	365,000	Closed. Port Condition Zulu.	8/26			
Brownsville, TX	53,000	Open with restrictions. Port Condition Yankee.	8/25			
Corpus Christi, TX	266,000	Open with restrictions. Port Condition Yankee.	8/25			
Freeport, TX	94,000	Open with restrictions. Port Condition Yankee.	8/25			
Galveston, TX	33,000	Open with restrictions. Port Condition Yankee.	8/25			
Houston, TX	894,000	Open with restrictions. Port Condition Yankee.	8/25			
Texas City, TX	113,000	Open with restrictions. Port Condition Yankee.				

*Crude oil and product foreign imports and domestic movements in 2018.

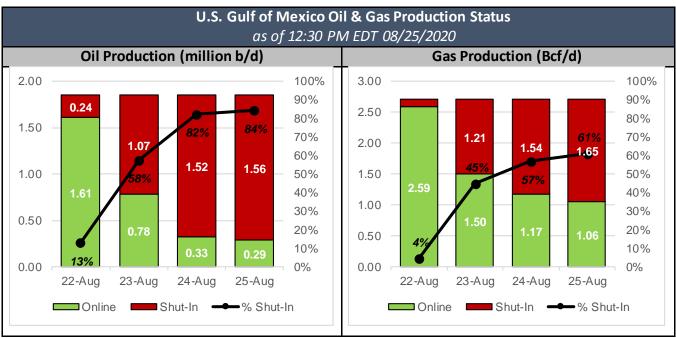
Source: Receipt data from EIA Company Level Imports, U. S. Army Corps of Engineers Waterborne Commerce Statistics Center

- The Galveston Texas City Ship Channel is closed as of Aug. 25.
- In the Houston Ship Channel, vessels have only been operating outbound since the evening of August 24.



OFFSHORE PRODUCTION

- As of 12:30 PM EDT, August 25, 1.56 million barrels per day (b/d) (84.3%) of the oil production and 1.65 billion cubic feet per day (Bcf/d) (60.94%) 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 299 out of 643 manned platforms have been evacuated; 11 out of 10 non-dynamically positioned rigs have been evacuated; and all 16 dynamically positioned rigs have moved out of the storm's path as a precaution.



Source: **BSEE**

PETROLEUM REFINERIES AND TERMINALS

• Refineries and petroleum terminals in the potentially affected region are implementing hurricane preparedness plans.

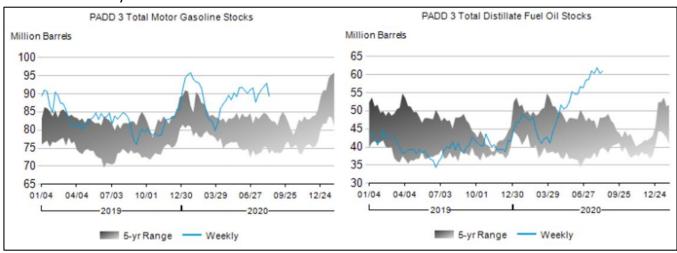
NATURAL GAS PIPELINES & TERMINALS

 Several natural gas pipeline operators and terminals in the potential affected region are implementing hurricane preparedness plans in advance of Hurricane Laura.



FUEL STOCKS

• For the week ending on August 14, 2020, the Gulf Coast (PADD 3) had 89.3 million barrels of total gasoline stocks, according to the Energy Information Administration (EIA). This is 12% higher than the 5-year average for this time of year. For the week ending on August 14, the Gulf Coast had 60.9 million barrels of total distillate stocks, according to EIA. This is 38% higher than the 5-year average for this time of year.



Per EIA, overall U.S. stocks for transportation fuels (gasoline, jet fuel, and diesel) stood at 462.4 million barrels for the week ending August 14, 2020, approximately 11.7% above the 5-year average for the time of year. Gasoline and distillate stocks are 6.7% and 23.7%, above their respective seasonal 5-year averages. Jet fuel stocks are 1.5% below the respective 5-year average, but within the 5-year range.



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 08/26/2020						
State/Territory	Details	Effective Dates		Status		
State/Territory	Details	Start	End	Status		
Alabama,		8/24	9/23	Active		
Louisiana,	Hours of Service Waiver					
Mississippi,	Hours of Service Walver					
and Texas						
Puerto Rico	Presidential Emergency Declaration	8/21	Until rescinded	Active		
	State of Emergency	8/21	Until rescinded	Active		
Florida	State of Emergency	8/21	Until rescinded	Active		
Mississippi -	State of Emergency	8/22	Until rescinded	Active		
	Presidential Emergency Declaration	8/22	Until rescinded	Active		
Louisiana -	State of Emergency	8/21	9/20	Active		
	Presidential Emergency Declaration	8/22	Until rescinded	Active		
Texas -	State of Disaster Declaration	8/23	Until rescinded	Active		
	Presidential Emergency Declaration	8/23	Until rescinded	Active		

Sources: State government, White House, and Federal Motor Carrier Safety Administration websites.

