Gulf Coast Region
ENERGY SECTOR RISK PROFILE

This Energy Risk Profile examines the relative magnitude of the risks that the Gulf Coast Region’s energy infrastructure routinely encounters in comparison with the probable impacts. The Gulf Coast Region consists of the States of Alabama, Arkansas, Louisiana, Mississippi, New Mexico and Texas. Natural and man-made hazards with the potential to cause disruption of the energy infrastructure are identified. The Risk Profile highlights risk considerations relating to the electric, petroleum and natural gas infrastructures to become more aware of risks to these energy systems and assets.

GULF COAST REGION FACTS

<table>
<thead>
<tr>
<th>Region Overview</th>
<th>Annual Energy Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population: 44 million (14% total U.S.)</td>
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<tr>
<td>Housing Units: 18 million (14% total U.S.)</td>
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<tr>
<td>Business Establishments: 1 million (12% total U.S.)</td>
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<tr>
<td>Electric Power: 654.4 TWh (18% total U.S.)</td>
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<tr>
<td>Coal: 174,055 MSTN (20% total U.S.)</td>
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<tr>
<td>Natural Gas: 6,560 Bcf (28% total U.S.)</td>
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<tr>
<td>Motor Gasoline: 499,900 Mbarrels (17% total U.S.)</td>
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<tr>
<td>Distillate Fuel: 286,500 Mbarrels (21% total U.S.)</td>
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<table>
<thead>
<tr>
<th>Annual Energy Production</th>
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<tbody>
<tr>
<td>Electric Power Generation: 842.3 TWh (21% total U.S.)</td>
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<tr>
<td>Coal: 265.8 TWh, 32% [56.4 GW total capacity]</td>
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<tr>
<td>Petroleum: 4.7 TWh, &lt;1% [130.6 GW total capacity]</td>
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<tr>
<td>Natural Gas: 392.6 TWh, 47% [0.2 GW total capacity]</td>
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<tr>
<td>Nuclear: 117.7 TWh, 14% [15.8 GW total capacity]</td>
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<tr>
<td>Hydro: 11.2 TWh, 1% [5.4 GW total capacity]</td>
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<tr>
<td>Other Renewable: 50.3 TWh, 6% [16.2 GW total capacity]</td>
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<tr>
<td>Coal: 93,100 MSTN (9% total U.S.)</td>
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<tr>
<td>Natural Gas: 13,070 Bcf (55% total U.S.)</td>
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<tr>
<td>Crude Oil: 921,900 Mbarrels (49% total U.S.)</td>
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<tr>
<td>Ethanol: 9,700 Mbarrels (3% total U.S.)</td>
</tr>
</tbody>
</table>

NATURAL HAZARDS OVERVIEW

Annual Frequency of Occurrence of Natural Hazards (1996–2014)

- According to NOAA, the most common natural hazard in the Gulf Coast Region is Flood, which occurs once every 1.4 days on the average during the months of March to October.
- The second-most common natural hazard in the region is Tornadoes, which occurs once every 3.7 days on the average.

Annualized Property Loss due to Natural Hazards (1996–2014)

- As reported by NOAA, the natural hazard the Gulf Coast Region that caused the greatest overall property loss during 1996 to 2014 is Hurricane at $1,191.8 million per year.
- The natural hazard with the second-highest property loss in the region is Drought at $782.2 million per year.
Electric Power Plants: 666 (11% total U.S.)
- Coal-fired: 46 (8% total U.S.)
- Petroleum-fired: 39 (3% total U.S.)
- Natural Gas-fired: 327 (19% total U.S.)
- Nuclear: 8 (12% total U.S.)
- Hydro-electric: 75 (5% total U.S.)
- Other Renewable: 171 (12% total U.S.)

Transmission Lines:
- High-Voltage (>230 kV): 29,950 Miles
- Low-Voltage (<230 kV): 16,970 Miles
**Electric Transmission**

- According to NERC, the leading cause of electric transmission outages in the Gulf Coast Region is Other Causes.
- The region experienced **228 electric transmission outages** from 1992 to 2009, affecting a total of **19.4 million** electric customers.
- Natural Disaster – Hurricane/Tropical Storm affected the largest number of electric customers as a result of electric transmission outages.

### Electric Customers Disrupted by NERC-Reported Electric Transmission Outages by Cause (1992–2009)

#### Number of NERC-Reported Electric Transmission Outages by Cause (1992–2009)

- Faulty Equipment / Human Error: 1,724,518
- Severe Weather - Thunderstorm: 1,763,502
- Natural Disaster - Hurricane / Tropical Storm: 3,856,075
- Made Public Appeals: 4,266,986
- Transmission Line Faults and Overloads: 2
- All Other Causes: 1,026,375

**Data Source:** NERC

### Electric Distribution

**Electric Utility Reported Power Outages by Month (2008–2013)**

- Between 2008 and 2013, the greatest number of electric outages has occurred during the month of August in the Gulf Coast Region.
- The leading cause of electric outages during 2008 to 2013 was Weather/Falling Trees.
- On average, the number of people affected annually by electric outages during 2008 to 2013 was **2.4 million**.
- The average duration of electric outages in the region during 2008 to 2013 was **16,265 minutes or 271 hours a year**.


- Animal: 176
- Faulty Equipment / Human Error: 412
- Overdemand: 248
- Planned: 176
- Theft / Vandalism: 17
- Unknown: 90
- Vehicle Accident: 2
- Weather / Falling Trees: 398

**Data Source:** Eaton

#### Utility Outage Data (2008–2013)

- Total number of people affected by outages
- Total duration of outages (minutes)

**Data Source:** Eaton

*NOTE: # of Incidents – The number within each pie slice is the number of event incidents attributable to each cause.*
PETROLEUM

Petroleum Infrastructure Overview
- Refineries: 55 (38% total U.S.)
- Terminals: 409 (21% total U.S.)
- Crude Pipelines: 17,860 Miles (37% total U.S.)
- Product Pipelines: 291,360 Miles (47% total U.S.)
- Bio-Refineries (Ethanol): 7 (3% total U.S.)

Produced by Department of Energy (DOE), Office of Electricity Delivery & Energy Reliability (OE)
Petroleum Transport

Top Events Affecting Petroleum Transport by Truck and Rail (1986–2014)

The leading event type affecting the transport of petroleum product by rail and truck during 1986 to 2014 was Incorrect Operation for rail transport and Miscellaneous/Unknown for truck transport, with an average 15 and 50.3 incidents per year, respectively.

Petroleum Refinery

The leading cause of petroleum refinery disruptions in the Gulf Coast Region from 2003 to 2014 was All Other Causes. The region’s petroleum refineries experienced 3,966 major incidents from 2003 to 2014. The weighted average production impact from all disruptions at the refineries within the region from 2003 to 2014 is 216.5 thousand barrels per day.

NATURAL GAS

Natural Gas Infrastructure Overview
Gas Wells: 162,760 (33% total U.S.)
Processing Plants: 262 (51% total U.S.)
Storage Fields: 79 (18% total U.S.)
Interstate Pipelines: 175,200 Miles (35% total U.S.)
Local Distribution Companies: 438 (26% total U.S.)
### Natural Gas Transport

- The leading event type affecting natural gas transmission and distribution pipelines in the Gulf Coast Region during 1986 to 2014 was **Corrosion** for Transmission Pipelines and **Outside Force** for Distribution Pipelines, with an average **13.61 and 14.81 incidents per year**, respectively.


<table>
<thead>
<tr>
<th>Event Type</th>
<th>Transmission Frequency</th>
<th>Distribution Frequency</th>
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<tbody>
<tr>
<td>Corrosion</td>
<td>1.03</td>
<td>2.22</td>
</tr>
<tr>
<td>Equipment Failure</td>
<td>0.06</td>
<td>2.35</td>
</tr>
<tr>
<td>Excavation Damage</td>
<td>0.71</td>
<td>1.61</td>
</tr>
<tr>
<td>Incorrect Operation</td>
<td>0.35</td>
<td>2.61</td>
</tr>
<tr>
<td>Material/Weld Failure</td>
<td>0.35</td>
<td>2.61</td>
</tr>
<tr>
<td>Miscellaneous/Unknown</td>
<td>2.10</td>
<td>2.61</td>
</tr>
<tr>
<td>Natural Forces</td>
<td>7.68</td>
<td>8.87</td>
</tr>
<tr>
<td>Outside Force</td>
<td>14.81</td>
<td>14.81</td>
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</tbody>
</table>

### Natural Gas Processing

- According to data derived from DOE’s Energy Assurance Daily, the leading cause of natural gas processing plant disruptions in the Gulf Coast Region from 2005 to 2014 is **Operational Upset or Process Problem**.
- The region’s natural gas processing plants experienced **1,355 disruptions** from 2005 to 2014.
- The weighted average production impact from all disruptions at the natural gas processing plants within the region from 2005 to 2014 is **149 million cubic feet per day (MMcfd)**.


- **Operational Upset or Process Problem**
- **Equipment Failure or Damage**
- **Loss of Electric Power or Other Utility Service**
- **Weather or Natural Disaster**
- **All Other Causes**

Data Source: DOE OE

**Average Production Impact by Disruption Type (MMcfd) at Natural Gas Processing Plants (2005–2014)**

- **Operational Upset or Process Problem**: 135 MMcfd
- **Equipment Failure or Damage**: 140 MMcfd
- **Loss of Electric Power or Other Utility Service**: 123 MMcfd
- **Weather or Natural Disaster**: 347 MMcfd
- **All Other Causes**: 17 MMcfd

Data Source: DOE OE
**Overview Information**
- Census Bureau (2012) State and County QuickFacts [http://quickfacts.census.gov/qfd/download_data.html]

**Production Numbers**

**Consumption Numbers**
- EIA (2013) Prime Supplier Sales Volumes [http://www.eia.gov/dnav/pet/pet_cons_prmc_cons_dcu_nus_m.htm]

**Electricity**
- Platts (2014 Q2) Transmission Lines (Miles by Voltage Level)
- Platts (2014 Q2) Power Plants (Production and Capacity by Type)

**Petroleum**
- Argonne National Laboratory (2012) Petroleum Terminal Database
- Argonne National Laboratory (2014) Ethanol Plants
- NPMS (2011) Petroleum Product Pipeline (Miles of Interstate Pipeline)
- NPMS (2011) Crude Pipeline (Miles of Interstate Pipeline)

**Natural Gas**
- EIA (2013) Number of Producing Gas Wells [http://www.eia.gov/dnav/ng/ng_prod_wells_s1_a.htm]
- NPMS (2011) Natural Gas Pipeline (Miles of Interstate Pipeline)
- Platts (2014 Q2) Local Distribution Companies (LDCs)

**Event Related**
  *The NERC disturbance reports are not published after 2009.

**Notes**
- Natural Hazard, Other, includes extreme weather events such as astronomical low tide, dense smoke, frost/freeze, and rip currents.
- Each incident type is an assembly of similar causes reported in the data source. Explanations for the indescribable incident types are below.
  - Outside Force refers to pipeline failures due to vehicular accident, sabotage, or vandalism.
  - Natural Forces refers to damage that occurs as a result of naturally occurring events (e.g., earth movements, flooding, high winds, etc.)
  - Miscellaneous/Unknown includes releases or failures resulting from any other cause not listed or of an unknowable nature.
  - Overdemand refers to outages that occur when the demand for electricity is greater than the supply, causing forced curtailment.
- Number (#) of Incidents – The number within each pie chart piece is the number of outages attributable to each cause.