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Infrastructure Security & Energy Restoration

Post-Tropical Cyclone Harvey

Event Report (Update #17)

REPORT TIME & DATE:	11:00 AM EDT Sunday, September 3, 2017
INCIDENT START DATE:	Friday, August 25, 2017
PRIMARY LOCATION(S):	Gulf Coast (Texas and Louisiana)
REPORT DISTRIBUTION:	Public @ https://energy.gov/oe/downloads/hurricane-harvey-situation-reports-august-2017

EXECUTIVE SUMMARY

As of 9:15 PM EDT Saturday, parts of Southeast Texas are under an extended Flood Warning until further notice. According to the National Weather Service, the Neches River (not to be confused with the Nueces River) will slowly fall to a stage near 19.3 feet by Monday morning. Flooding is also occurring along the river in Beaumont and Northwest Orange County. The Flood Warning for the Buffalo Bayou near Piney Point Village in Harris County is also in effect until further notice. The Buffalo Bayou is expected to fall to a stage of 60.5 feet by Sunday evening.

Electricity Sector Impacts – Texas (as of 7:30 AM EDT)

- As of 7:30 AM EDT, September 3, Texas has 88,409 customer outages (<1% of total state customers).
 - AEP Texas has 45,168 customer outages. This is a 9.7% decrease from the last report.
 - Entergy Texas has 34,419 customer outages. This is a 36.5% decrease from the last report.
 - CenterPoint Energy has 5,630 customer outages. This is a 34.5% decrease.
- AEP Texas is reporting 98% of the outages caused by Hurricane Harvey have been resolved. The Estimated Times of Restoration (ETRs) for most communities within the AEP service area are 11 PM EDT Friday, September 8, if not sooner.
- Entergy Texas has reported there are currently 252 miles of transmission lines out and 13 flooded substations within their service territory. By end of day Sunday, September 3, Entergy will provide ETRs for the rest of its impacted customers.
- CenterPoint Energy is reporting 99.75% of customers have power. Of those customers still affected, about 6,600 are without lights due to extended flooding and public safety concerns.

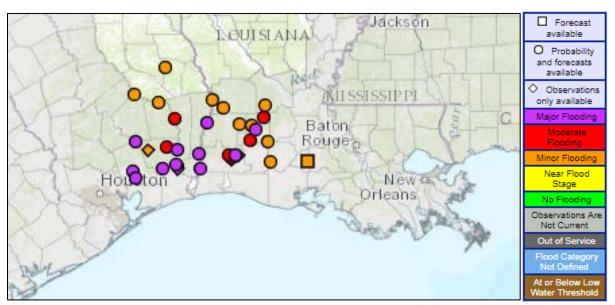
Oil and Natural Gas Sector Impacts (as of 7:30 AM EDT)

- As of 07:30 AM EDT, September 3, nine refineries in the Gulf Coast region were shut down, according to public reports. No shut refineries have changed their status since the last report. These refineries have a combined refining capacity of 2,357,229 b/d, equal to 24.3% of total Gulf Coast (PADD 3) refining capacity and 12.7% of total U.S. refining capacity.
- Seven refineries had begun the process of restarting after being shut down. This process may
 take several days or weeks to start producing product, depending whether any damage is found
 during restart. No refineries were identified as having begun restart operations since the last
 report. These refineries have a combined capacity of 1,528,720 b/d, equal to 15.8% of total Gulf
 Coast (PADD 3) refining capacity and 8.3% of total U.S. refining capacity.

- At least four refineries in the Gulf Coast region were operating at reduced rates, according to
 public reports. No refineries were identified as having begun restart operations since the last
 report. The refineries operating at reduced rates have a combined total capacity of 1,338,776
 b/d, equal to 13.8% of total Gulf Coast (PADD 3) refining capacity and 7.2% of total U.S. refining
 capacity. (NOTE: Actual crude throughput (production) reductions are lower than the total
 combined capacity).
- Colonial restoration crews are assessing facilities and the pipeline right of way to ensure conditions are safe for a restart of operations from Houston and Pasadena. Work also continues to resume operations from other Texas injection points, which are expected to occur after Houston/Pasadena. Currently, only Texas operations are down, and the remainder of the Colonial system continues to operate with available supply.
- FEMA has established a "Rumor Control" website: <u>https://www.fema.gov/hurricane-harvey-</u> rumor-control

INCIDENT OVERVIEW

As of 9:00 PM EDT Saturday, parts of Southeast Texas are under an extended Flood Warning until further notice. In the region, partly cloudy skies are expected today with highs in the upper 80s and lower 90s. Scattered thunderstorms are expected in the Port Arthur early this week. According to the National Weather Service, the Neches River (not to be confused with the Nueces River) will slowly fall to a stage near 19.3 feet by Monday morning. Flooding is also occurring along the river in Beaumont and Northwest Orange County. The Flood Warning for the Buffalo Bayou near Piney Point Village in Harris County is also in effect until further notice. The Buffalo Bayou is expected to fall to a stage of 60.5 feet by Sunday evening.



Advanced Hydrologic Predictive Services

*The National Weather Service prepares its forecasts and other services in collaboration with agencies like the US Geological Survey, US Bureau of Reclamation, US Army Corps of Engineers, Natural Resource Conservation Service, National Park Service, ALERT Users Group, Bureau of Indian Affairs, and many state and local emergency managers across the country. The most current version of this flood map can be found at <u>https://water.weather.gov/ahps2/index.php?wfo=shv</u>.



ELECTRICITY SECTOR

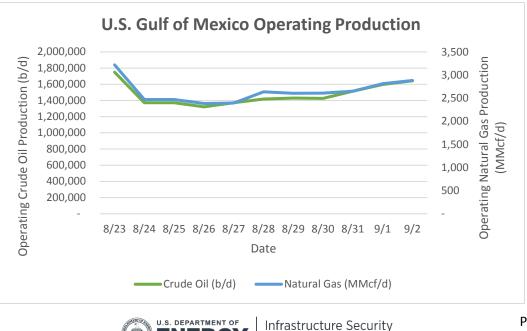
ELECTRICITY OUTAGES AS OF 7:30 AM EDT 09/03/2017					
Impacted State	Current Confirmed Customer Outages	Percent of Confirmed State Customers without Power	24-hr Peak Customer Outages		
Texas	88,409	<1%	128,369		
Total	88,409	-	*		

*There is no sum of the Peak Customer Outage column because peaks for individual utilities occur at different times; a total would not reflect peak outages.

Texas

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OIL & GAS SECTOR



& Energy Restoration

ERCY

PRODUCTION



• As of 12:30 PM EDT, September 2, 106,813 b/d (6.1%) of the oil production and 337.2 MMcf/d (10.47%) of the natural gas production in the U.S. Gulf of Mexico are shut-in, according to estimates by the Bureau of Safety and Environmental Enforcement (BSEE).

PETROLEUM REFINERIES

- As of 07:30 AM EDT, September 3, nine refineries in the Gulf Coast region were shut down, according to public reports. No shut refineries have changed their status since the last report. These refineries have a combined refining capacity of 2,357,229 b/d, equal to 24.3% of total Gulf Coast (PADD 3) refining capacity and 12.7% of total U.S. refining capacity.
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- At least four refineries in the Gulf Coast region were operating at reduced rates, according to public reports. No refineries were identified as having begun restart operations since the last report. The refineries operating at reduced rates have a combined total capacity of 1,338,776 b/d, equal to 13.8% of total Gulf Coast (PADD 3) refining capacity and 7.2% of total U.S. refining capacity. (NOTE: Actual crude throughput (production) reductions are lower than the total combined capacity).

PORTS

• The U.S. Coast Guard has set the following conditions for ports and waterways in the U.S. Gulf Coast region as a result of Harvey. Eleven ports are closed or open with restrictions. Crude imports at these ports averaged 2,077,000 b/d from January through May 2017.

	Status of Texas and Louisiana Gulf Coast Ports as of 7:30 AM EDT 09/03/2017				
Port	Crude Imports Jan-May 2017 (b/d)	Status	Date Stamp		
Sector Corpu	us Christi				
Brownsville		Open.	08/31/17		
Corpus Christi	245,000	Port Condition Recovery. Open with restrictions. Allowing vessels up to 43' draft to transit during daytime hours only. Larger vessels allowed one-way transits during daylight hours only. Ship channel also open with restrictions. Working to reopen completely 09/04.	08/31/17		
Sector Houst	ton and Galves	ton			
Freeport	133,000	Open.	09/01/17		
Galveston	114,000	Port Condition Recovery. Open with restrictions. Ship channel also open with restrictions. Limited to daylight hours for vessels with < 33' draft. Galveston Bay Entrance Channel, Outer Bar Channel, Bolivar Roads Anchorages, Bolivar Roads Channel, and Galveston Harbor open.	09/01/17		



Houston	646,000	Port Condition Recovery. Open with restrictions. Houston Ship	09/01/17
nouston	040,000		03/01/1/
		Channel above LB18 to Mitchell's Point open.	
Texas City	134,000	Port Condition Recovery. Open with restrictions. Texas City	09/01/17
		Channel, Texas City Turning Basin, and Industrial Canal open.	
Sector Port A	Arthur and Lak	e Charles	
Beaumont	33,000	Port Condition Recovery. Open with restrictions. 30' draft	08/31/17
		restriction for all waters of the Sabine-Neches Waterway.	
Lake	218,000	Port Condition Recovery. Open with restrictions. 37 feet draft	08/31/17
Charles		restrictions of the Calcasieu Ship Channel.	
Nederland		Port Condition Recovery. Open with restrictions. 30' draft	08/31/17
		restriction for all waters of the Sabine-Neches Waterway.	
Orange		Port Condition Recovery. Open with restrictions. 30' draft	08/31/17
_		restriction for all waters of the Sabine-Neches Waterway.	
Port Arthur	687,000	Port Condition Recovery. Open with restrictions. 30' draft	08/31/17
		restriction for all waters of the Sabine-Neches Waterway.	
Port	Port Condition Recovery. Open with restrictions. 30' draft		08/31/17
Neches		restriction for all waters of the Sabine-Neches Waterway.	
Sabine Pass		Port Condition Recovery. Open with restrictions. 30' draft	08/31/17
		restriction for all waters of the Sabine-Neches Waterway.	

Source: U.S. Coast Guard

RAIL

• Rail is critical for the delivery of ethanol to petroleum product terminals for gasoline blending and for the movement of refinery byproducts, including propane, butanes, and sulfur out of refineries. The following rail lines have reported disruptions:

Status of Texas and Louisiana Gulf Coast Rail Infrastructure <i>as if 7:30 AM EDT 09/03/2017</i>					
Rail Company	Status	Date Stamp			
BNSF	Major disruptions due to washouts. Houston Subdivision	09/01/17			
	has resumed service, as well as greater portion of Galveston				
	Subdivision, along with other smaller Subdivisions.				
	Beaumont remains closed. Train loading and unloading				
	resumed at Pearland Intermodal Facility.				
CSX Corp.	Closely watching weather conditions in Louisiana and the	08/30/17			
	southwestern portion of its operating network.				
Kansas City	Force majeure and an embargo on network in Texas	09/01/17			
Southern Railway	remains in effect. Assessments have indicated a few areas				
	where maintenance will be required before reopening the				
	line. When transit resumes, delays should be expected on all				
	routes while backlogs are reduced and speed restrictions				
	are imposed given the conditions and repair work.				
Union Pacific	Routes through San Antonio opened up allowing for trains	09/02/17			
	to be run both north and south between San Antonio and				
	Hearne, TX. Reorganizing major rail yards at Settegast, and				

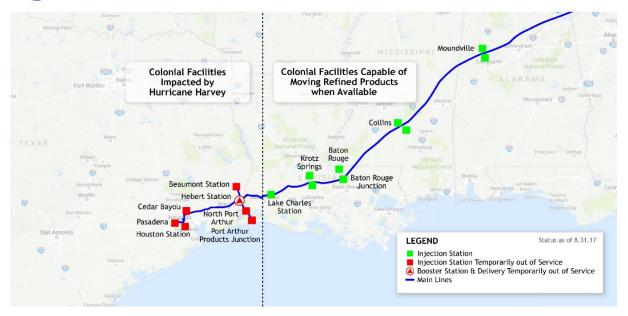


	Englewood. Repairs complete on some infrastructure in Houston and South Texas. Cleanup operations underway at Houston yards 8/31. Repaired track between Houston and Bryan, Texas and between Houston and Angleton, Texas. Currently working on Houston-San Antonio track repairs. Fire at Arkema chemical plant is hindering repair work on its line between Houston and Beaumont, TX.	
YRC Freight	Houston terminal closed.	08/29/17
ABF Freight	Service in Houston, Dallas, Little Rock, and San Antonio	09/01/17
	interrupted due to Harvey.	

COLONIAL PIPELINE

- Colonial's Lines 1 and 2 continue to operate from Lake Charles east. Deliveries will be intermittent and dependent on terminal and refinery supply. The lines remain down from Houston to Hebert due to the storms.
- Colonial estimates that it will be able to return to service from Houston Sunday, following an evaluation of its infrastructure and successful execution of its startup plan. Of the 26 refineries that connect to the Colonial system, 13 are located between Houston and Lake Charles.
- Colonial is one part of the fuel delivery system, and there are multiple means of supplying the market to mitigate concerns with supply, including other pipelines, trucks, and barges.
- Colonial's top priorities remain the safety of its personnel and integrity of its system will remain the top priorities. For more updates: https://harvey.colonialresponse.com/

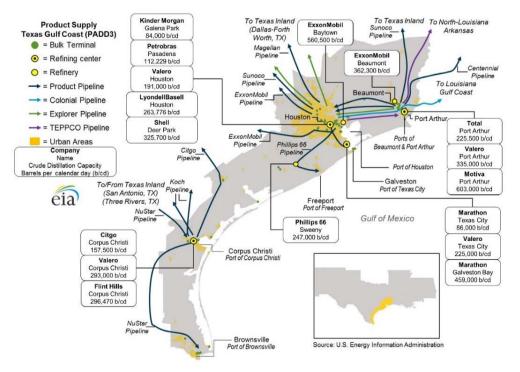
🚺 Colonial Pipeline Gulf Coast Status Map





OTHER PRODUCT PIPELINES

• Below is a map of refineries and petroleum product pipelines in the Texas Gulf Coast for awareness.



Source: EIA: https://www.eia.gov/analysis/transportationfuels/padd1n3/

WAIVERS

- The table below lists fuel-related waivers issued by the U.S. Environmental Protection Agency (U.S. EPA) and State agencies.
- On August 30, U.S. EPA issued a multi-state (13 states) waiver for requirements of low-RVP conventional gasoline and reformulated gasoline (RFG). Later in the day, the waiver was expanded to include 38 states and Washington, DC.

	State Fuel Waivers as of 7:30 AM EDT 09/03/2017					
State	Waiver	Issued By	Effective	Status		
State	Walvel	Issued by	Start	End	Status	
Multi-	RVP standard waived for gasoline sold in	U.S. EPA	08/30/17	09/15/17	Active	
state	affected counties where low-RVP gasoline is		Expanded:			
waiver	required (9.0 RVP or lower). Allows sale of		08/31/17			
	gasoline up to 11.5 psi RVP in all states					
located in PADD 1, PADD 2, and PADD 3. The						
waiver supersedes and expands the areas						
	covered by the August 30 waiver.					
	RFG standard is also waived in the designated					
	regions. Also waived are provisions prohibiting					



	State Fuel Waivers as of 7:30 AM EDT 09/03/2017				
State	Mairor	Jacuard Du	Effective	e Dates	Status
State	Waiver	Issued By	Start	End	Status
	the blending of RFG blendstock with				
	conventional gasolines or blendstocks.				
TX	RFG requirement waived in Houston-	U.S. EPA	08/25/17	09/15/17	Active
	Galveston-Brazoria areas. Waiver expanded to				
	four-county Dallas-Fort Worth RFG area 8/26.				
	Allows the sale or distribution of conventional				
	gasoline.				
ТΧ	7.8 psi RVP standard waived for gasoline sold	U.S. EPA	08/25/17	09/15/17	Active
	in 20 counties where low-RVP gasoline is				
	required and are also under the Governor's				
	Disaster Declaration. Waiver expanded to 98				
	counties required to use low-RVP fuel 8/26.				
	Allows sale of gasoline up to 9.0 psi RVP.				
LA	RVP requirements of 7.8 psi and 9.0 psi	State of	08/29/17	09/15/17	Active
	waived in applicable areas. Permits the sale or	Louisiana	Expanded:		
	distribution of winter gasoline with an 11.5 psi		08/30/17		
	RVP.				
MI	RVP regulations waived. Permits the	State of	08/31/17	09/15/17	Active
	transportation and sale of motor fuels 9.0 psi	Michigan			
	RVP in Wayne, Oakland, Macomb, St. Clair,				
	Livingston, Washtenaw, Monroe, and				
	Lenawee counties, and up to 11.5 psi RVP				
	elsewhere in Michigan.				
MS	RVP standards of 9.0 psi waived. Permits the	State of	08/30/17	09/15/17	Active
	sale or distribution of winter gasoline with an	Mississippi			
	11.5 psi RVP.				
VA	Waived the RVP limit for gasoline ethanol	State of	09/01/17	09/15/17	Active
	blends prescribed by regulations.	Virginia			

Sources: U.S. Department of Transportation; Governor Office Websites

- Nine states have declared state emergencies due to Harvey. Note that Kansas has not declared a ٠ State of Emergency, however is using its resources to assist other states. These declarations automatically waive select Federal Motor Carrier Safety Regulations (FMCSRs), including hoursof-service (HOS) regulations, for motor carriers hauling resources to aid in restoration efforts. The declarations exempt FCMSR in every state along the motor carrier's route as long as the final destination is with the declared disaster areas in Texas or Louisiana.
- In addition, the Federal Motor Carrier Safety Administration (FMCSA) declared that issued a • Regional Emergency Declaration exempting FMCSRs in the States of Texas and Louisiana. On August 31, the FMCSA expanded the Regional Emergency Declaration to additional states and Washington, DC.
- The table below summarizes emergency declarations and HOS waivers issued by states.



State Emergency Declarations and HOS Waivers as of 7:30 AM EDT 09/03/2017				
Chata	Detelle	Effective Dates		Chatria
State	Details	Start	End	Status
Regional (Multi-State)	Regional Emergency Declaration and FMCSR waiver issued by FMCSA. Applies to Alabama, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, South Carolina, Virginia, Washington, D.C. and	08/25/17 Expanded 08/31/17	10/26/17	Active
	West Virginia			
Texas	State of Disaster declared for 61 counties in Texas.	08/23/17 Expanded: 08/30/17 09/01/17	TBD	Active
Louisiana	State of Emergency.	08/23/17	TBD	Active
Kentucky	State of Emergency/HOS waiver issued for transporters of food, water, medicine, fuel and other commodities within the affected areas to aid in emergency response of affected areas. All economic requirements normally associated with interstate motor transportation for all vehicles providing relief supplies to affected areas.	08/28/17	09/27/17	Active
Alabama	State of Emergency/HOS waiver issued for petroleum products and petroleum-related supplies, goods, and services in and through the State.	08/30/17	09/29/17	Active
Georgia	State of Emergency/HOS waiver issued for petroleum products through the State.	08/30/17	09/20/17	Active
Kansas	Governor acknowledged state of emergency in Texas and declared that licensing rules, registration and fuel tax permits, and oversize vehicle permit fees are waived for motor carriers and persons operating motor vehicles directly participating in the relief and restoration effort.	08/30/17	09/20/17	Active
North Carolina	State of Emergency/HOS waiver issued for petroleum products, and emergency relief supplies and services through the state.	08/31/17	09/30/17	Active
South Carolina	State of Emergency/HOS waiver issued for petroleum products through the state.	08/31/17	09/30/17	Active
Michigan	State of Emergency/HOS waiver issued for petroleum products through the state.	08/31/17	09/15/17	Active
Virginia	State of Emergency/HOS waiver issued for	09/01/17	09/15/17	Active



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State	Deteile	Effective Dates		Chatura
State	tate Details		End	Status
	petroleum products through the state.			

DOE Strategic Petroleum Reserve Status (from the Office of Fossil Energy)

	DOE Strategic Petroleum Reserve Site Status (as of 5/3/2017)					
	Bayou Choctaw Site West Hackberry Site Big Hill Site Bryan Mound Site					
Commercial Power Availability	Available	Available	Available	Available		
Drawdown Capability	Drawdown Ready	Drawdown Ready	Drawdown Ready	Drawdown Ready		

In response to the impacts from Hurricane Harvey, the U.S. Secretary of Energy has authorized ٠ the Strategic Petroleum Reserve (SPR) to negotiate and execute emergency exchange agreements with four refineries for up to 5.3 million barrels of crude oil from SPR's West Hackberry and Bayou Choctaw sites. Authorized exchanges are summarized in the table below.

SPR Authorized Exchanges						
Requesting Refinery	SPR Draw Down Site	Amount Authorized (up to)				
Phillips 66 Lake Charles Refinery (First Request)	West Hackberry	200,000 barrels sweet crude; 300,000 barrels sour crude				
Phillips 66 Lake Charles Refinery (Second Request)	West Hackberry	200,000 barrels sweet crude; 300,000 barrels sour crude				
Marathon Petroleum Company	Bayou Choctaw	3,000,000 barrels sweet crude				
Valero Marketing and Supply Company (First Request)	Bayou Choctaw	500,000 barrels sweet crude				
Valero Marketing and Supply Company (Second Request)	Bayou Choctaw	500,000 barrels sweet crude				
Placid Refining Company LLC	Bayou Choctaw	300,000 barrels sweet crude				

