



This is only a breathing space, will it be used?

Posted by [Heading Out](#) on September 2, 2005 - 9:07pm

Topic: [Supply/Production](#)

UPDATED to clarify the supply type - sorry, Dave. There is additional information on the oil that will come from Europe and other sources. The loss in production, and from the oil imported through the LOOP is more than 2 mbd, and while the LOOP (Louisiana Offshore Oil Port) is operational, the situation down near where Katrina first came ashore is not that good. The [Washington Post](#) has described some of the problems. These are just the issues that affect the landward side of getting the oil ashore and back into the national pipelines.

The time that it will take to restore the overall production from the Gulf (as has been discussed earlier) is going to take many months. Rigs have moved, well casings are deformed. Platforms are adrift or moved. I mention these again since while the numbers reported on the very generous contributions from Europe sound large, at between 1 & 2 mbd replacement need, the 60 mbd of [replaced production](#) will only last between one and two months.

Twenty-six countries in an international energy consortium will release more than 60 million barrels of crude oil and gasoline to relieve the energy crunch caused by Hurricane Katrina in the United States.

As part of that effort, the Bush administration will release 30 million barrels of crude oil from U.S. reserves.

UPDATE: The [OGJ story](#) is more specific

On Sept. 2, the Paris-based International Energy Agency (IEA) and the European Union Commission unanimously approved a measure to release 2 million b/d of oil from strategic storage for 30 days.

"IEA, which coordinates petroleum stockpiles across the Organization for Economic Cooperation and Development, is in consultations with its European members about the US request [for gasoline]. The German and Spanish governments have already expressed support for the request," Raymond James reported. The US Strategic Petroleum Reserve (SPR) contains only crude oil. But Europe has 50 million bbl of emergency gasoline in storage. The US uses 10 million b/d of gasoline, and US gasoline production is down by 1 million b/d from normal levels because Hurricane Katrina made inoperable nine major refineries on the Gulf Coast.

That story is also optimistic on the timetable to restore production through the refineries, and from the LOOP.

Tommy Martinez, executive director of the Louisiana Offshore Oil Port, said unloading of tankers at that facility could begin Sept. 2. LOOP shut down operations Aug. 27 ahead of the storm but has since resumed deliveries from storage to ExxonMobil's Baton Rouge refinery. A pipeline controlled by the port connects with the Capline pipeline system in St. James, La.

Beyond that time, the onset of winter in Europe will make it more difficult to provide, from a supply that may be questionable for Europe itself (given the state of North Sea depletion) any more to help us out.

But the depths of the problems are such, and so many, that it is unrealistic to expect that this will be enough. Consider the time that it is going to take to fix the levees, for example. As the [Houston Chronicle](#) noted

The temporary wall near where the canal meets Lake Pontchartrain will keep waters at the breach location stable, allowing Corps engineers to fix the levee. The Corps is not certain how long that will take.

"I don't think it will be super quick," said Susan Jackson, an agency spokeswoman.

After the 17th Street Canal breach is fixed, as well as three other less challenging breaches in New Orleans' levee system, the city's pumps can begin to push water into the lake.

At its highest efficiency, the pumping system can remove one foot of water per day. By Friday, when the city and lake drain naturally to 1 foot above sea level, the lowest areas of New Orleans will remain choked under 11 feet of water. That's a minimum of three weeks' pumping.

But it could take as long as a few months to fully drain New Orleans, Jackson cautioned. That's because the breaches must first be repaired, and the pumps restored.

Engineers will assess the condition of the city's dozens of pumps in the coming days. If they were turned off before they flooded they could be restored in a few days, longer if not.

"I have to believe it's going to take awhile to get them back up and running," said Chuck Morris, an associate professor of civil engineering at the University of Missouri-Rolla who has, in the past, consulted with New Orleans on its pumping system.

The Corps must also fly in auxiliary power units to operate the pumps, which normally run off the city's electrical grid. This grid may not be restored for a month, or perhaps longer.

And the power is also needed to restart the refineries and the oil pumping stations that must be brought up to speed to move the oil that will be needed for this winter. And that does not address some of the other issues with bringing back production from the Gulf. Consider this picture of the current condition of the port from which the boats set out to tend the rigs and platforms. The whole area is flooded, reminiscent of the land after the tsunami, and suggesting that the overall level may have sunk, making it more difficult to re-establish the port infrastructure.



A photo of the port at Venice.

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