



## Louisiana - The Aftermath - Open Thread

Posted by [Gail the Actuary](#) on September 4, 2008 - 10:15am

Topic: [Miscellaneous](#)

Tags: [hurricane gustav](#), [louisiana](#), [natural gas](#), [oil](#) [[list all tags](#)]

Hurricane Gustav is now past, and we are finally starting to discover what the damage really is. One of the big problems is electricity. There are other issues, including those about infrastructure, that we are only discovering. Let us know what you are finding out.

### [Darkness and Frustration Replace Fear](#)

The state's power grid sustained massive damage from Hurricane Gustav, officials say, and it could be weeks before all of it is repaired. Frustrated motorists poured back into the state hoping to return home, only to be turned back at checkpoints on all the major highways. Many grew frustrated as they roamed the state like gypsies or sat in motels they could scarcely afford, their cash running low and no way to get more.

"No power, no tissue, no phone, and the lady just came to collect the rent," said elementary school teacher Shondrelle Paul, who with her 11-month-old baby and sister were holed up at the Budget Inn in Gonzales, La. "Money is getting thin."

Across the state, more than 1 million people were without electricity, which meant gas stations were unable to pump fuel, ATMs could not dispense money and restaurants could not open to feed people still unable to return home. Communication was made difficult by spotty cellular and Internet service.

Dozens of hospitals were still running on generator power, several without air conditioning, and there were fears that hundreds of patients might have to be evacuated in the next few days. Only one hospital in New Orleans had the capacity to provide dialysis — though all but one were up and running — and two in the Alexandria area were running low on drinking water.

### [Entergy Warns of Precarious Power Island Situation in Southeastern Louisiana](#)

Thirteen of the 14 transmission lines serving the New Orleans metropolitan area are out of service due to the storm. This creates a situation where the New Orleans metropolitan area and a corridor along the Mississippi River between New Orleans and Baton Rouge have become essentially an island, no longer electrically connected to the rest of the Entergy system and the electricity grid for the eastern United States. This

"island" is south of Lake Pontchartrain and includes Orleans, Jefferson, St. Bernard, St. James, St. John the Baptist, St. Charles and upper Plaquemines parishes, which are sometimes referred to as the "river" parishes. Entergy's Waterford 1, Nine Mile Point and Little Gypsy plants are now supplying all power to this zone because all transmission lines leading to and from there are out of service.

"Restoration organizers are assessing how to best tie and synchronize the area back into the Entergy system. This will be a very delicate operation requiring close coordination among generation, transmission, distribution and other Entergy functions," Taylor said. "The greatest risk at this time is that generation in the islanded area could trip offline before Entergy is able to tie back to the Entergy system. If the islanded generation goes offline, all power in the 'island' zone could be lost.

### [Gustav evacuees kept at bay as impatience, safety collide](#)

NEW ORLEANS -- The road home for the estimated 2 million Hurricane Gustav evacuees was slow going Tuesday, as those trying to filter into the coast were greeted by police checkpoints and National Guardsmen who told them it was too dangerous to return.

Though the storm largely spared New Orleans and Louisiana, hard-hit neighborhoods still had no power, and roads were blocked by trees. With only a handful of communities allowing re-entry, thousands grew frustrated in shelters, sitting on uncomfortable cots and wondering why buses wouldn't come and drive them back.

### [Gustav Takes a Toll on Already Poor Economy](#)

During Hurricane Katrina, the economy was at its peak, "That showed how incredibly resilient and flexible the economy was in 2005," said Rich Yamarone, Director of Economic Research at Argus Research.

Analysts are concerned that this storm could lead the country to the inevitable recession, "It's another blow to an economy that can't afford to take these punches. It could push us a lot closer to a recession," said Yamarone.

### [WSJ: Oil Falls on Minimal Storm Pain](#)

A spokeswoman for the Louisiana Offshore Oil Port, the only U.S. port capable of handling very large crude tankers, said it can restart operations "fairly quickly" in the wake of the hurricane, though the offshore port hasn't yet been examined. A U.S. Coast Guard said flyover inspection found no visible damage to the facility.

Traders said the closure of hedge fund operator Ospraie Management's largest fund may have been a factor behind crude's tumble in recent weeks. The Ospraie Fund fell 27% in August due to bets on oil, natural gas and structured products, The Wall Street Journal reported, and the fund has been selling off its holdings over the past three weeks.

**Note:** A lot of good links have been posted on previous open threads about Gustav and its aftereffects. This is a link to yesterday's [post](#).



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