



In a shortage, businesses lose gas before homes

Posted by [Heading Out](#) on October 6, 2005 - 11:12pm

Topic: [Demand/Consumption](#)

Tags: [natural gas](#), [supply interruption](#) [[list all tags](#)]

Supplies from the Gulf continue to remain unavailable, and the latest [MMS report](#) shows that at least the rigs are now being manned - or at least no longer evacuated.

These evacuations are equivalent to 35.29% of 819 manned platforms and 4.47% of 134 rigs currently operating in the Gulf of Mexico (GOM).

Today's shut-in oil production is 1,202,364 BOPD. This shut-in oil production is equivalent to 80.16% of the daily oil production in the GOM, which is currently approximately 1.5 million BOPD.

Today's shut-in gas production is 6.628 BCFPD. This shut-in gas production is equivalent to 66.28% of the daily gas production in the GOM, which is currently approximately 10 BCFPD.

Despite the early snowfall out West the rumors that one hears, and sees in the odd comment, is that we may have a very mild winter. That would be very helpful since in an earlier post I quoted the problems that President Carter inherited, with a bad winter and a natural gas shortage, that led to businesses being closed and schools closed.

It is possible that memories of such events may now start to create yet another incentive for industries to move production overseas. As the [Washington Post notes](#)

Manufacturers that use huge amounts of natural gas are scouring the world for cheaper prices and considering moving operations to ease their costs. A renewed exodus -- many companies have already shifted overseas -- could further knock back growth in the United States and boost unemployment.

Andrew N. Liveris, chief executive of Dow Chemical Co., told a hearing yesterday before the Senate Energy and Natural Resources Committee that the country is in a "natural gas crisis." The Midland, Mich., company, which uses large amounts of the fuel to produce chemicals, must consider locating new plants in other parts of the world, such as China and the Middle East, because of U.S. energy costs, he said.

"How can I recommend investing here?" Liveris said.

Given that there are many processes where the heat has to stay constant during manufacture,

The Oil Drum | In a shortage, businesses lose gas before home heating oil and where shutting down half-way through can lead to huge costs, it may well be that others will start to read this writing on the wall, and also start to consider moves.
<http://www.theoil drum.com/story/2005/10/6/231245/555>

Speaking of moves, I will be away from the computer for a few days (or at least away from a decent connection). So 'til then, have a good weekend.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](http://creativecommons.org/licenses/by-sa/3.0/us/).