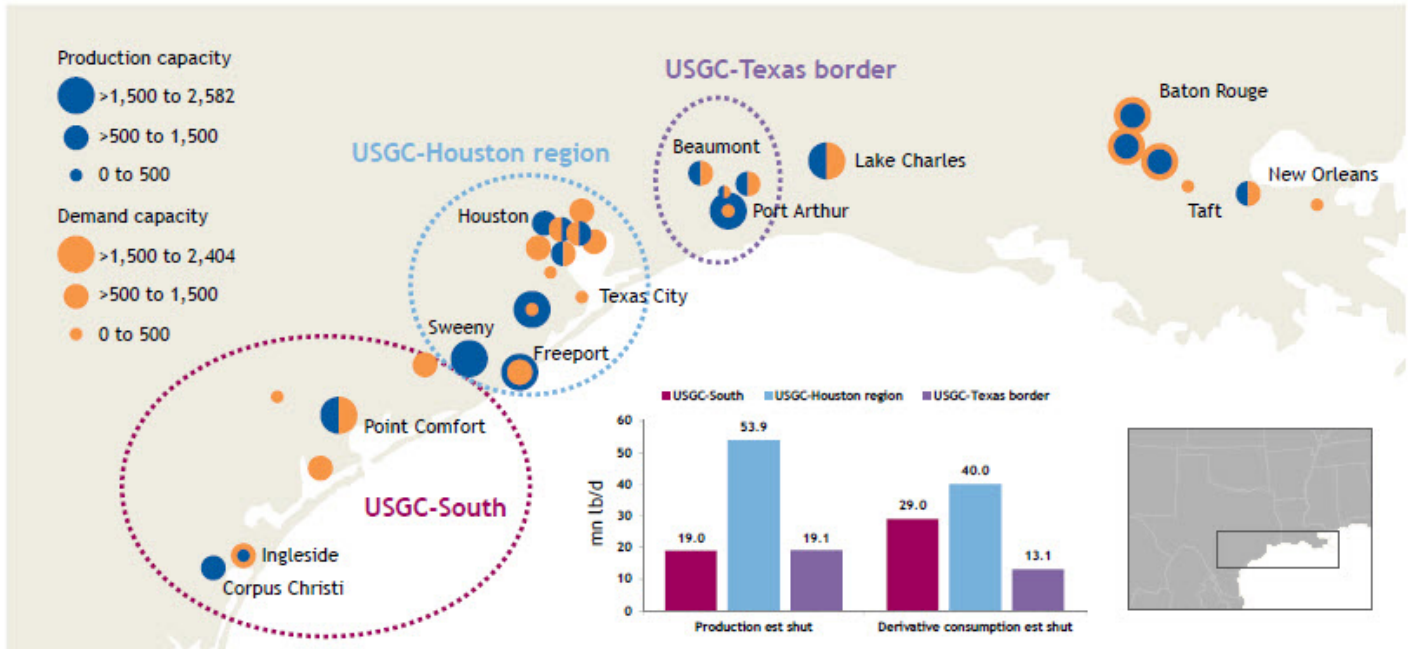


Our thoughts are with those on the Gulf Coast who have been impacted by Hurricane Harvey – our customers, colleagues and communities. As always, Argus is providing news and information coverage to the markets during this critical time.

Harvey Update: Regions of impact on US ethylene

Hurricane Harvey: Ethylene production and consumption capacities currently impacted

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Houston, 30 August 2017 (Argus) —

Before the storm, total US ethylene production has been running at about 175 mn lbs/d, and consumption running about 165 mn lbs/d. In the initial approach of the hurricane, about 19 mn lbs/d of ethylene was shut, and an estimated 29 mn lbs/d of ethylene consumption was taken down, reflected here as USGC-South.

However, the larger impact occurred in USGC-Houston region when severe flooding was caused when the storm hovered in the region and moved slowly in a broader area. The only sites in this region where all the cracker capacity is fully available are Freeport and Oyster Creek.

USGC-Texas border was affected the most recently as the

storm traveled east and caused more flooding. The only site in this region where all the cracker capacity is available is a JV in Port Arthur though it could now be at reduced rates. It is estimated that 92 mn lbs/d of ethylene, and 82 mn lbs/d of ethylene consumption is currently down. This is approximately 53% and 50% of the US ethylene production and consumption respectively.

As assets begin to restart in the south Texas region nearest to where the storm came ashore, these estimated off line numbers are expected to mark the peak of the outages, and estimates will drop moving forward.

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