

Tropical Cyclone Florence | Report #14

REPORT TIME & DATE:4:00 PM EDT | Wednesday, September 19, 2018INCIDENT START DATE:Thursday, September 13, 2018PRIMARY LOCATION(S):North Carolina & South CarolinaREPORT DISTRIBUTION:Public

NOTE: Beginning on Thursday, September 20, 2018 the U.S. Department of Energy will issue a daily Report at 12:00 PM EDT about impacts to the energy sector from Hurricane Florence.

EXECUTIVE SUMMARY

Following impacts from Hurricane Florence, significant river flooding persists throughout the Carolinas and is expected to continue through the weekend with 14 rivers in the Carolinas expected to be at major flood stage levels. Flooding is impacting access to certain locations and flood warnings remain in effect throughout the region.

Electricity Sector Summary

- The following outages have been reported at as of 3:00 PM:
 - North Carolina: 176,421 customer outages (4%) Decrease of 11.8% since last report
 - South Carolina: 1,487 customer outages (0.06%) Increase of 126.3% since last report
 - Virginia: 1,294 customer outages (0.03%) Increase of 45.7% since last report
 - Note: Increase in South Carolina & Virginia may not be related to impacts from Florence.
- Fluctuation in the outage numbers is expected and normal during large-scale restoration efforts.
- Crews across the impacted area are performing damage assessments and restorations as conditions permit. Heavy flooding continues to limit access to some areas.
- Fluctuation in the outage numbers is expected and normal during large-scale restoration efforts.

Oil & Natural Gas Sector Summary

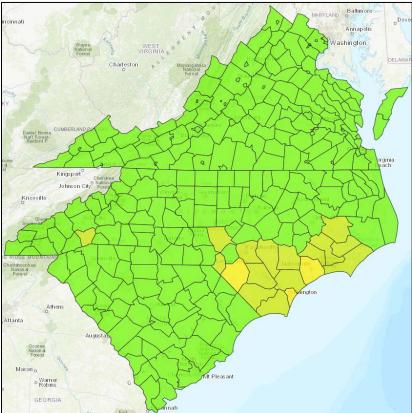
- All ports have reopened.
- Gasoline inventories at terminals and pipelines in the Lower Atlantic region were 10% above the 5-year average as of September 7.
- Coastal areas impacted by Florence in North and South Carolina are experiencing outages at retail fuel stations due to power outages and conditions preventing resupply from terminals.
 - As of 8:30 AM on September 19, 19% of North Carolina gas stations and 8% of South Carolina gas stations were reported out-of-service due to lack of fuel and or power according to data from GasBuddy. An update has not been provided for all stations following the storm.
 - o States are working with industry to expedite resupply shipments to impacted areas.
- A regional hour-of-service wavier is in effect for the impacted area and surrounding states.

ELECTRICITY SECTOR

POWER OUTAGES

ELECTRICITY OUTAGES AS OF 3:00 PM EDT 09/19/2018				
Impacted State	Current Confirmed	Percent of Total Customers	24-Hour Peak	
impacted state	Customer Outages	in State without Power	Customer Outages	
North Carolina	176,421	3.56%	301,297	
South Carolina	1,487	0.09%	5,579	
Virginia	1,294	0.03%	5,174	
Total	179,959	-	*	

*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.



Outage Map (as of 3:00 PM EDT)

ELECTRICITY IMPACTS & RESTORATION EFFORTS

- Damage assessments and restoration efforts are underway across the impacted areas, as weather conditions permit. Utilities indicated that high water is expected to hamper restorations in some areas, but the crews are making every effort to reach all locations.
- Fluctuation in the outage numbers is expected and normal during large-scale restoration efforts.
- Duke Energy crews in both North and South Carolina are focusing on critical facilities, including hospitals, as well as power along main roadways, including gas stations, hotels, and grocery stores.
- Electric utilities are working with communication utilities and providers to coordinate restoration efforts.



NORTH CAROLINA

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176,421 Customer Outages	↓ 11.8 % since Sep 19, 8:30 AM EDT	301,297 24-hr Peak Outages

• Significantly Impacted Utilities

- o Duke Energy (Carolinas): 122,697
- o North Carolina Cooperative Utilities: 53,723

SOUTH CAROLINA

1,487 Customer Outages	↑ 126.3 % since Sep 19, 8:30 AM EDT	5,579 24-hr Peak Outages	
Significantly Impacted	Utilities		
 South Carolina Electric & Gas: 656 customer outages 			
o South Carolina	Cooperative Utilities: 414		

o Duke Energy (Carolinas): 373 customer outages

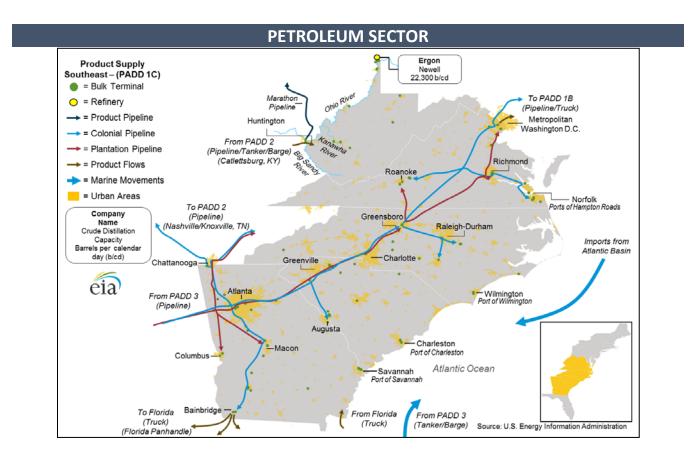
VIRGINIA

INGINIA		
1,294 Customer Outages	↑ 45.7 % since Sep 18, 4:00 PM EDT	5,174 24-hr Peak Outages

Significantly Impacted Utilities •

- o Dominion: 983 customer outages
- AEP Appalachian Power: 331 customer outages





PRODUCT PIPELINES

- Pipeline operators are following storm procedures.
- No significant issues have been reported at this time.

PORTS

• The USCG has set the following conditions for Southeast ports.

Status of Southeast Ports as of 2:30 PM EST 09/18/2018					
Port Sector	Port	Status		2016 Inbound Products (b/d)*	
Maryland	Baltimore, MD	Port Condition Normal. Open without restrictions.	09/15	29,000**	
NCR	Washington, DC	Port Condition Normal. Open without restrictions.	09/15	2,000	
Hampton	Norfolk, VA	Port Condition Normal. Open without restrictions.	09/15	7,000	
Roads	Newport News, VA	Port Condition Normal. Open without restrictions.	09/15	3,000	
North Carolina	Wilmington, NC	Port Condition Recovery. Open with restrictions. As of 9/18, the Port of Wilmington's power has been restored to the South Terminal. Initial port assessment reported all berths are available.	09/18	6,000	
Charleston	Charleston, SC	Port Readiness Condition IV. Open without restrictions.	09/16	22,000	
Savannah	Savannah, GA	Port Readiness Condition IV. Open without restrictions.	09/15	15,000	

*Transportation fuels only (gasoline, distillate, and jet fuel)

**The Port of Baltimore also had 11,000 b/d of petroleum products shipped outbound in 2016.

Source: U.S. Coast Guard Homeport, U.S. Army Corp of Engineers, EIA Company Level Imports, Region IV PSA, DHS



PETROLEUM REFINERIES

• There are no refineries in the immediate impact zone of Hurricane Florence (NC, SC, GA, VA).

FUEL STOCKS

• For the week ending on September 14, the Lower Atlantic Region (WV, VA, NC, SC, GA, & FL) had 26.0 million barrels of total gasoline stocks, or 10% higher than the 5-year average for this time of year, according to the U.S. Energy Information Administration (EIA). Also, the Lower Atlantic Region had 11.4 million barrels of total distillate stocks, or 12% lower than the 5-year average for this time of year. For these fuels, inventory levels include volumes at refineries, bulk terminals and blenders, and in pipelines. EIA does not survey inventories held at retail stations.

RETAIL FUEL STATIONS

- As of 12:30 PM, September 19, 17% of North Carolina gas stations and 7% of South Carolina gas stations were reported out-of-service due to lack of fuel, lack of power, or both, according to GasBuddy.com. The majority of these outages are located in the coastal areas of Wilmington, Greenville-New Bern, Raleigh-Durham, and Myrtle Beach-Florence.
- States are working closely with industry to expedite resupply shipments to impacted areas.



EMERGENCY DECLARATIONS & WAIVERS

EMERGENCY DECLARATIONS

To provide vital supplies and transportation services to a disaster area in the United States, emergency declarations may be issued by the President, Governors of States, or Federal Motor Carrier Safety Administration (FMCSA). These declarations trigger the temporary suspension of certain Federal safety regulations, including Hours of Service, for motor carriers and drivers engaged in specific aspects of the emergency relief effort. See <u>49</u> <u>CFR 390.23</u> for the actual emergency regulation.

State Emergency Declarations and HOS Waivers as of 7:30 AM EST 09/19/2018				
State	Details	Effec	Effective Dates	Status
	Details	Start	End	Status
DE, DC, FL, GA, MD, NJ,	FMCSA Regional Declaration of	09/10	10/10	Active
NY, NC, PA, SC, VA, WV	Emergency	05/10	10/10	
North Carolina	State of Emergency Declaration	09/07	Until Rescinded	Active
South Carolina	State of Emergency Declaration	09/08	Until Rescinded	Active
Virginia	State of Emergency Declaration	09/08	10/10	Active
Maryland	State of Emergency Declaration	09/10	Until Rescinded	Active
District of Columbia	State of Emergency Declaration	09/11	09/13	Rescinded
Kentucky	State of Emergency Declaration	09/11	10/11	Active
Tennessee	State of Emergency Declaration	09/11	10/11	Active
Georgia	State of Emergency Declaration	09/12	09/19	Active

Sources: <u>U.S. Department of Transportation</u>; Governor Office Websites

FUEL WAIVERS

The Environmental Protection Agency (EPA), working with the Department of Energy (DOE), responds quickly to address fuel supply disruptions caused by hurricanes or other natural disasters by issuing emergency waivers of certain fuel standards in affected areas. The table below lists fuel-related waivers issued by the EPA:

Fuel Waivers as of 7:30 AM EST 09/19/2018						
State(s)	Waiver	Effective Dates		Status		
State(s)		Start	End	Status		
North Carolina, South Carolina	RVP requirements	09/11	09/15	Expired		
North Carolina, South Carolina	RFG comingling regulations	09/11	10/01	Active		
Georgia, parts of Virginia	<u>RVP requirements</u>	09/12	09/15	Expired		
Georgia, parts of Virginia	RVP requirements; amended	09/13	09/15	Expired		
Georgia, parts of Virginia	RFG comingling regulations	09/12	09/30	Active		
Southern Virginia	RFG requirements	09/12	09/30	Active		
North Carolina	Restriction on red-dyed diesel fuel for	09/17	09/28	Active		
	<u>highway use</u>	05/17	05/20	ACTIVE		

Sources: U.S. Environmental Protection Agency; State Governments

Note: RVP waivers were effective through September 15, 2018, which was the end of the high ozone season. The wavier is no longer required.



In order to minimize or prevent the disruption of an adequate supply of gasoline for evacuees in the designated areas, the EPA has issued temporary waivers of:

- Reid vapor pressure (RVP) requirements at 40 C.F.R. § 80.27, thus allowing regulated parties to produce, sell or distribute winter gasoline (including gasoline blendstocks for oxygenate blending (BOBs)) with higher RVP than normally allowed during the high ozone season. On September 13, EPA issued an emergency waiver that amended the September 12 waiver to further increase the allowable RVP for conventional gasoline in Georgia. These waivers were effective through September 15, 2018, which was the end of the high ozone season.
- Reformulated gasoline (RFG) regulations at 40 C.F.R. § 80.78(a)(7), thus allowing the commingling of any • RBOB with any other gasoline, blendstock, or oxygenate in the designated areas.
- Reformulated gasoline requirements in Southern Virginia RFG areas, thus allowing regulated parties to produce, sell or distribute conventional winter gasoline instead of RFG in those areas.
- Highway diesel fuel "no red dye" requirements in North Carolina are waived, thus allowing the sale, distribution and use of red dyed non-road locomotive and marine (NRLM) diesel fuel for use in highway diesel vehicles, but the diesel fuel must meet the 15ppm standard set forth at 40 C.F.R. § 80.520.

OTHER FEDERAL WAIVERS

- On September 13, PHMSA issued an Emergency Stay of Enforcement for pipeline and LNG facility operators affected by Hurricane Florence. Under the stay, PHSMA does not intend to take enforcement action relating to operators' temporary noncompliance with gualification requirements found in 49 C.F.R. §§ 192.801–192.809 and 195.501–195.509, or pre-employment and random drug testing requirements found in 49 C.F.R. § 199.105(a), (c) arising from the use of personnel for pipeline activities related to response and recovery. The stay will remain in effect until October 28, unless PHMSA determines an extension is required.
- On September 12, PHMSA issued a Waiver of the Hazardous Materials Regulations (HMR, 49 C.F.R. ٠ Parts 171-180) to allow the EPA and USCG to conduct their ESF #10 response activities to safely remove, transport, and dispose of hazardous materials. Persons conducting operations under the direction of EPA Regions 3 or 4 or USCG Fifth or Seventh Districts within the Hurricane Florence emergency areas of South Carolina, North Carolina, and Virginia are authorized to offer and transport non-radioactive hazardous materials under alternative safety requirements imposed by EPA Regions 3 or 4 or USCG Fifth or Seventh Districts when compliance with the HMR is not practicable. Under this Waiver Order, nonradioactive hazardous materials may be transported to staging areas within 50 miles of the point of origin. Further transportation of the hazardous materials from staging areas must be in full compliance with the HMR. This Waiver Order will remain in effect for 30 days from the date of issuance.
- On September 14, EPA issued No Action Assurances (NAAs) as requested by North Carolina, South Carolina, Virginia, and Georgia to help avoid delays in fuel distribution. EPA policy allows the Agency to issue NAAs in cases where it is necessary to avoid extreme risks to public health and safety and where no other mechanism can adequately address the matter. Under these NAAs, EPA will not pursue enforcement actions against tanker trucks under air quality regulations governing the testing for tank tightness and associated documentation.
- On September 14, EPA issued two No Action Assurances (NAAs) as requested by Virginia and North Carolina regarding the loading and unloading of fuel at bulk gasoline terminals, pipeline breakout stations, marine tank vessel loading operations, and gasoline loading racks. Pursuant to these NAAs and the conditions contained in them, EPA will not pursue enforcement actions for violations of the Clean Air Act vapor recovery requirements for these fuel loading and unloading operations in those states.
- On September 17, the IRS issued a waiver exempting tax penalties for the sale of dyed diesel fuel for highway use in the state of North Carolina.

