

Seatrade Maritime News

(/)



Home (/) > News > Americas (/news/americas.html) >

The US Gulf EPIC pipeline and terminal - not your grandparents infrastructure

The US Gulf EPIC pipeline and terminal - not your grandparents infrastructure



(/media/k2/items/cache/5dcfe384a7ce35de5528ffda2b58f826_XL.jpg)

When the subject turns to infrastructure investment in the States and the potential impacts on deepsea and domestic shipping, the booming energy markets are now receiving increased attention.

In a Washington Post conference call that brought a 21st century slant to the subject American Association of Port Authorities' (AAPA) President, Kurt Nagle, a one-time executive at the National Coal Association and Coal Exporters Association, distinguished between "struggling to maintain your grandparents' infrastructure versus building infrastructure for our grandchildren."

The energy supply chain is squarely in the latter category as supply chains evolve and RBN, a leading oil patch consultancy asserted that: "The Permian Basin in West Texas and southeastern New Mexico has proven to be the Energizer Bunny of US tight-oil and shale plays, not only surviving the oil patch's nuclear winter of mid-2014 to mid-2016 but thriving during it."

The EPIC pipeline, a major artery that will bring Permian Basin crude to the US Gulf, is now under development, spearheaded by a trio of partners that includes Castleton Commodities. The Port of Corpus Christi trumpeted the importance of the pipeline in an announcement: "EPIC stands for



Eagle Ford, Permian, Ingleside, and Corpus Christi. The 730-mile pipeline could transport over 440,000 barrels of crude oil and condensate per day from the Permian Basin to the Corpus Christi region.”

The port added that: “As US production ramps up, Port Corpus Christi’s role continues to strengthen especially as more product is expected to trade on the water borne market.”

At Corpus Christi, already a major hub for tanker loadings, a new terminal is planned that would come online in early 2019 just in time for completion of the pipeline. Texstar Midstream Logistics, one of the pipeline partners, said the companies that Castleton’s terminal (engineering completed and permits in hand for construction that begins in June, 2017) will have more than 1m barrels of storage , complemented by an additional 3m barrels storage facility near Taft- on the north side of Nueces Bay - with “Refinery Row” on the south side.

RBN said the terminal could handle aframax vessels upon opening. If various stars align - a bridge replacement and a channel deepening - suezmaxes could load at EPIC terminal beginning in 2021, which would “make exporting crude to Europe, China and other potential markets for light crude even more cost-effective”.

The announcement of the EPIC pipeline, at the beginning of March, and the timing of the Washington Post call, comes only days on the heels of an announcement by oil major ExxonMobil Corp’s Chairman, speaking at an industry conference, that it would be investing \$20bn, over the next 10 years, in facilities along the US Gulf Coast.

The company said that it “is strategically investing in new refining and chemical-manufacturing projects in the... region to expand its manufacturing and export capacity.” This statement is consistent with AAPA Nagle’s statement that its members, along with private sector partners need to invest \$155bn with a significant portion having to do with energy supply chains.

Posted 15 March 2017



Barry Parker (/editor/barry-parker.html)

New York correspondent, Seatrade Maritime

[(<http://ubm.seatrademaritimeeve-maritime-review-mar-issue-sample-storybox/>) FREE SAMPLE

PAGES] Seatrade Maritime Review, March Issue

