

Statement by API President & CEO Red Cavaney

America's oil and natural gas industry recognizes the catastrophic impact of Hurricane Ike on millions of Americans. This disaster comes at a time when many Americans are already facing significant economic challenges, particularly those who are recovering from Hurricane Gustav. We are building on the lessons learned from our experiences with Hurricanes Katrina and Rita three years ago, and our industry has the know-how to deal effectively with the effects of disasters such as Ike.

Clearly, we have experienced damage to a number of our facilities. However, it appears to be less than that associated with Hurricanes Katrina and Rita in 2005. The latest DOE reports show that virtually all crude production – and 92 percent of natural gas production – in the Gulf is still shut in; 14 refineries are shut down in Texas and Louisiana; and, while Colonial Pipeline restarted its line at reduced rates yesterday, major crude pipelines originating in Texas and Louisiana remain shut down.

Consumers across the country can help in a big way in efforts to recover from this disaster by using available fuel and energy supplies wisely and efficiently. Much of our nation relies on fuel refined in the Gulf of Mexico region and typically shipped by pipeline to retailers, sometimes at distances well in excess of 1,000 miles. If we all work together to minimize unnecessary use of energy, each of us can make an important contribution in dealing with the aftermath of Ike, regardless of where we live. The people of America's oil and natural gas industry are working to get facilities and operations back online as quickly and safely as possible to meet U.S. energy needs.

09.15.08 (F)