Oil Glut vs Sabal Trail

June 23, 2017

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Sure is lucky we have Sabal Trail to move fracking stuff around

[Biggest US gasoline pipeline sees demand fall to multiyear low](#)
Demand to ship gasoline on Line 1 of the Colonial Pipeline, the largest US gasoline pipeline, has fallen below its 1.3 million-barrel-per-day capacity for the first time in six years even though US gasoline demand usually peaks during summer. “The only reason they wouldn’t be full is clearly that inventory levels are high enough that there is no incentive to move product to New York,” said Sandy Fielden, Morningstar’s director of oil and products research. [Reuters](#) (6/22)

[Shale M&A activity cools off amid weak oil prices]

The value of mergers and acquisitions in the US exploration and production sector declined from about $23 billion in the first quarter to less than $15 billion in the second quarter, according to Bloomberg Intelligence. “Management teams are taking a more conservative view on M&A activity and that will extend through the end of 2017,” Bloomberg Intelligence analyst Vincent Piazza said, citing uncertainty over the future of oil prices as one of the reasons.

Bloomberg (6/20)

Refining & Marketing

BP exec foresees shutdown of some US LNG capacity

BP Chief Commercial Officer James Straughan believes some US liquefied natural gas capacity will be shut down before the end of the decade because it’s the only way to address the global LNG oversupply. Straughan sees the LNG glut worsening in the next couple of years because the US and Australia are adding capacity faster than the market needs.

Argus Media (6/22)

Comments by OSFR historian Jim Tatum.

-A river is like a life: once taken, it cannot be brought back-