

LOCKDOWN: “Essential” Oil & Gas Work During Coronavirus Stay-At-Home Orders

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As of press time, 11 statewide stay-at-home orders are in effect, with Louisiana being the first state with significant upstream, midstream, and downstream capabilities to be locked down.

Louisiana’s order is effective now through April 12. Oil and gas work is generally exempted as “essential” work through the order’s incorporation by reference of the Cybersecurity & Infrastructure Security Agency’s (CISA) guidelines for essential workers, which include:

Petroleum workers:

- Petroleum product storage, pipeline, marine transport, terminals, rail transport, road transport
- Crude oil storage facilities, pipeline, and marine transport
- Petroleum refinery facilities
- Petroleum security operations center employees and workers who support emergency response services
- Petroleum operations control rooms/centers
- Petroleum drilling, extraction, production, processing, refining, terminal operations, transporting, and retail for use as end-use fuels or feedstocks for chemical manufacturing
- Onshore and offshore operations for maintenance and emergency response
- Retail fuel centers such as gas stations and truck stops, and the distribution systems that support them

Natural and propane gas workers:

- Natural gas transmission and distribution pipelines, including compressor stations
- Underground storage of natural gas
- Natural gas processing plants, and those that deal with natural gas liquids • Liquefied Natural Gas (LNG) facilities
- Natural gas security operations center, natural gas operations dispatch and control rooms/centers natural gas emergency response and customer emergencies, including natural gas leak calls
- Drilling, production, processing, refining, and transporting natural gas for use as end-use fuels, feedstocks for chemical manufacturing, or use in electricity generation

- Propane gas dispatch and control rooms and emergency response and customer emergencies, including propane leak calls
- Propane gas service maintenance and restoration, including call centers

At the following links, you can access the [Louisiana Order](#) and the incorporated [CISA Essential Work Guidance](#).

Texas is obviously the big state to watch. Following the issuance of the Louisiana order, Governor Abbott quickly signaled that he does not have plans for a statewide lockdown. “We’re still within 48 hours of my most recent executive orders,” Abbott said. “Let’s wait and see how effective those orders will be in preventing the spread of the COVID-19 virus. I’m the governor of a state that has 254 counties, and most of those counties have zero coronavirus cases right now.”

At the local level, city or county orders could affect the energy business in the absence of a statewide order. At this time, Harris County Judge Lena Hidalgo has not stated that a lockdown is imminent, nor given any guidance as to how the energy business and our massive downstream infrastructure would be carved out of such a directive. According to the Department of State Health Services, Harris County has 27 confirmed cases, Galveston has 15, Brazoria has 12, Chambers and Nueces each have 1, and Jefferson and Orange both have zero. The fewer the confirmed cases, the less likelihood of a local lockdown.

States to watch for upstream and midstream impacts: Oklahoma (67 cases), New Mexico (65 cases), North Dakota (30 cases), Colorado (591 cases), Pennsylvania (479 cases), and Wyoming (24 cases). Thankfully, the states on this list with the highest rig counts also have the lowest numbers of confirmed cases, are the most rural, and, with the exception of New Mexico, have a state political situation that would tend to disfavor a statewide lockdown.

The fact that Louisiana incorporated the CISA guidelines is positive step and one we hope will influence future orders in states with major energy infrastructure.

This situation changes hour-to-hour. When major lockdowns are announced affecting the energy industry, we will be provide updates to you through the [KRCL blogs](#) and the [KRCL COVID-19 Resources and Insights page](#).

About the author:

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