Refining Capacity: Meeting Future Energy Needs

Joanne Shore
Lead Operations Research Analyst, Petroleum

Energy Information Administration
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Distinguished Panel Members

Joe Gorder
Executive Vice President
Marketing and Supply, Valero Energy Corporation

David Sexton
Vice President
Portfolio for Shell Oil, North & South America

Thomas O’Malley
Chairman of the Board
Petroplus Holdings A.G.
Refining Capacity Investments

• U.S. capacity grew on average almost 200 KB/D per year 1997-2007 (1 medium-sized refinery/year)

• Variety of purposes for refinery capacity investment
  – Meet demand changes
  – Improve yields of high-quality, high-valued products
  – Improve reliability and reduce costs
  – Run more heavy & disadvantaged crudes

• What about the future?
Uncertainties Affecting Refining Capacity Needs

- **Policy**: How have recent policy changes affecting demand and renewable fuel use impacted refining capacity plans?

- **Feedstock**: How might changes in crude oil or other feedstock availability affect capacity plans (Canadian, coal-to-liquids, ...)

- **Atlantic Basin Product Supply**: How will European product markets and exports impact U.S. capacity needs?

- **Margins**: Will the future financial returns be adequate to justify the investments?
Panel Discussion