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Enterprise says the first shipment of export crude will sail from Houston

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HOUSTON — Enterprise Products Partners plans to fill a tanker with of U.S. crude in early January and send it overseas — laying claim to the first shipment of domestic oil from the Gulf Coast since the government lifted a 40-year ban on such exports last week.

The Houston-based midstream company said it will transport about 600,000 barrels of domestic light crude oil to Houston and load it onto a tanker at the Enterprise Hydrocarbon Terminal in the first week of 2016. In its announcement Wednesday, Enterprise didn't identify the source of the oil or its destination.

“We applaud the actions of Congress and President Obama to remove the ban on U.S. crude oil exports,” said Jim Teague, chief operating officer of Enterprise's general partner, in a prepared statement. “Enterprise's integrated system enabled us to quickly respond to customer demand for U.S. crude oil by international markets.”

The U.S. government OK'd sending domestic oil abroad last week, after years of political pressure from independent oil producers. A rider ending the ban passed along with a \$1.8 trillion tax and spending omnibus bill.

Oil producers — who stand to benefit as they gain access to international markets — have been the loudest cheerleaders for allowing exports. But Enterprise and other midstream companies also are positioned well for exporting oil. Houston and Corpus Christi are likely staging areas for U.S. oil headed abroad, and Enterprise owns a significant amount of infrastructure in and connecting to the cities.

Previously, Enterprise had used its Texas terminals to export an ultralight oil called condensate. In summer of 2014, the Commerce Department permitted companies to ship condensate after minimal processing. The export ban didn't apply to refined products.

Most Gulf Coast refineries are configured to process heavier crude than condensate. But the lighter oil flows in large quantities from the nearby Eagle Ford Shale in South Texas, making condensate an attractive product for export to more suitable refineries overseas.

This year, condensate shipments have averaged about 100,000 barrels a day, according to figures from ClipperData, a company that tracks global oil movement.