

MARKETS

Exxon Working Toward Restarting Baytown Refinery, the Second-Largest in the U.S.

Company says units at its other Texas-coast refinery, in Beaumont, remain shut down



Large storage tanks situated in retention ponds are surrounded by rainwater left behind by Tropical Storm Harvey at Exxon Mobil's refinery in Baytown, Texas, on Aug. 30, 2017. PHOTO: TOM FOX/ASSOCIATED PRESS

By Dan Molinski

Sept. 3, 2017 10:55 am ET

Exxon Mobil Corp. [XOM 0.96% ▲](#) said it is working toward restarting its Houston-area Baytown refinery—the nation's second-largest oil refinery—after a shutdown due to Tropical Storm Harvey, but said another of its coastal Texas refineries remains closed.

Exxon's two processing plants were among nearly a dozen refineries forced to halt operations due to Harvey, which wreaked havoc on three of the U.S.'s main refining hubs along the Texas coastline—Corpus Christi, Houston and the Port Arthur/Beaumont region. The closures have taken around 20% of U.S. refining capacity offline and have caused gasoline prices to soar, both at the wholesale and retail levels, amid concerns many of the refineries may be damaged and stay shut for weeks.

"Our initial assessment of Exxon Mobil's Baytown complex revealed the need for only minor repairs," the company said in a statement late Saturday. "We are making good progress on restart activities."

It said the specific timing for returning to normal operations at the 560,000-barrel-a-day Baytown plant will depend largely on the availability and condition of transportation infrastructure. “We are working with the Port of Houston to expedite vessels through the Houston Ship Channel and we are coordinating with railroads to help facilitate necessary repairs,” it said.

As for Exxon’s other Texas-coast refinery, its 362,000-barrel-a-day Beaumont plant east of Houston, it said “units at the Beaumont refinery remain shut down,” without providing further details.

The announcements by Exxon comes as Phillips 66 said it is hoping to re-start its 247,000-barrel-a-day Sweeny refinery, located in Old Ocean near Houston. “We are currently assessing the condition of our impacted facilities and making repairs and other preparations to begin the process of resuming operations,” it said Saturday. Also, four of the main refineries in the Corpus Christi region, plants owned by Valero Energy Corp , Venezuela’s Citgo, and Kansas-based Flint Hills Resources, have also announced restart efforts.

The nation’s largest refinery, the 603,000-barrel-a-day Saudi Arabian Oil Co’s Motiva Port Arthur facility, remains shut and the company’s most recent statement last week said it has no timeline for a restart. But it noted “unprecedented flooding” in the city of Port Arthur, where the refinery is located, 90 miles east of Houston.

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