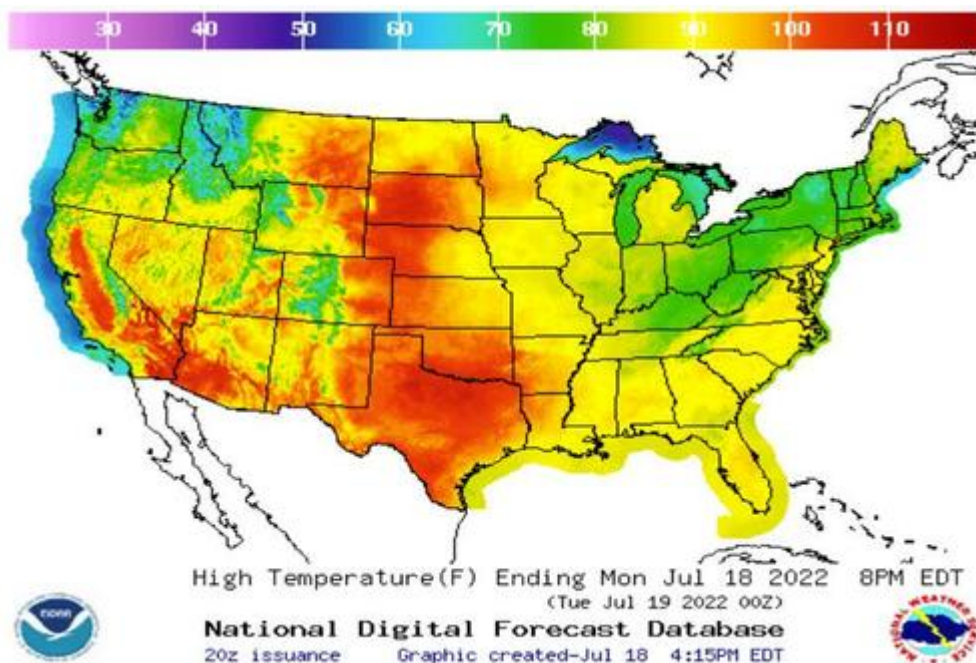


Canadian Energy Firm Declares Force Majeure On Keystone Pipeline After Power Outage

Description

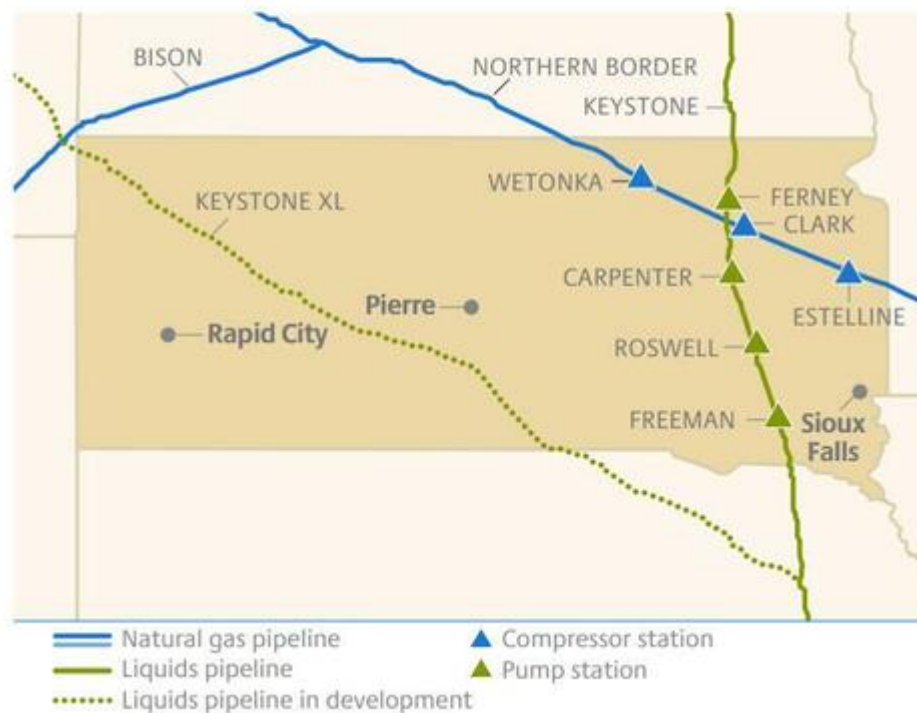
CANADA: Just hours after Gazprom declared *force majeure* with a number of its European clients – implicitly cutting off NatGas supply to the continent; Canadian energy firm TC Energy has declared *force majeure* on some crude shipments on the Keystone pipeline after a power failure at a pump station in South Dakota.

The power failure was reportedly driven by the extreme temperatures spreading across the US (it was reportedly around 20 degrees above normal at around 100 degrees).



The pipeline “is operating at a reduced rate due to damage to the third-party power utility,” according to a statement by the company.

TC Energy in South Dakota.



Notably this is affecting shipments from Canada to the United States, according to the company.

As a reminder, the pipeline runs from Hardisty, Alberta into North Dakota, through South Dakota to Steele City, Nebraska, where it splits – one arm running east through Missouri for deliveries into Wood River and Patoka, Illinois and the other running south through Oklahoma to Cushing and onward to Port Arthur and Houston, Texas



Bloomberg reports that **the discount at which Cold Lake crude** for August delivery trades to benchmark futures along the Gulf Coast **narrowed by more than 8% to \$8 a barrel**, according to Link Data Services.

Perhaps most notably, Cold Lake crude is a type of heavy oil mined from the oil-sands region of northern Alberta and **favored by some Texas and Louisiana refiners equipped to turn it into gasoline, diesel and other products.**

For now there is no reaction in RBOB prices.

by Tyler Durden

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1. Economy-Business-Fin/Invest
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