

## Press Release



# Assessing Potential Energy Bottlenecks as Economies Reopen

ALLISON EDWARDS | MAY 7, 2020

The COVID-19 pandemic has led to decreased demand for petroleum products, and oil producers and refiners have reduced production in response. Yet as states are preparing to reopen their economies, the industry may not be able to respond immediately to the increase in demand. AAF's Director of Energy Policy Ewelina Czapla assesses the potential challenges that could emerge if demand spikes too quickly and discusses what policymakers should consider as they reopen local economies.

An excerpt:

As the U.S. economy begins to reopen, facilities—from the well head to the refiner to the downstream plants producing food and plastic—may each require one or more weeks to ramp up production. Plans to restart the economy must consider the necessity to rehire thousands of workers, the engineering complexities of ramping up production, and the limitations in the products available or their delivery. As state, regional, and federal plans are formulated, it is critical that policymakers account for the time the energy sector needs to ensure operability in the face of growing demand. By providing the appropriate signals for demand growth, government plans can help avoid constraints and allow for appropriate market response under unprecedented conditions.

[Read the analysis.](#)