

## Start Ups / Closures

### **Phillip 66 declares force majeure on polypropylene at Bayway refinery**

Platts.com, 8th Sep 2018

Phillips 66 declared a force majeure Wednesday due to issues at its Bayway refinery in Linden, New Jersey, restricting the ability to supply polypropylene to customers, the company said Thursday.

The force majeure event was due to unforeseen equipment failure, the company said in a letter to customers Wednesday obtained by S&P Global Platts. The company added in its letter that it was not immediately able to determine with specificity whether and to what extent its agreements with customers may be impacted, but it would continue to monitor the situation.

The Bayway refinery has a PP capacity of 775 million lb/year, according to Platts data.

The force majeure announcement comes amid continued supply tightness in the PP market, with domestic prices hovering at levels not seen since late 2014 and exports heard virtually non-existent due to pricing deemed uncompetitive in global markets and a lack of available product.

Platts on Wednesday assessed domestic contracts at 78.5-79.5 cents/lb (\$1,731-\$1,753/mt) delivered rail-car basis for homopolymer injection and 80.50-81.50 cent/lb delivered rail car basis for homopolymer fiber grades.