



ENERGY ASSURANCE DAILY

Friday Evening, January 15, 2016

Electricity

Storms Knock Out Power to Over 70,000 FPL Customers in Florida January 15

Strong storms producing rain and high winds knocked out power to 70,927 customers across central Florida on Friday afternoon. Wind gusts of up to 60 mph were reported. As of 3:30 p.m. EST Friday, 25,730 customers remained without power. FPL, the hardest hit utility with 57,731 customer outages, said it added additional resources to help speed up restoration and will be working around-the-clock to restore service to impacted areas.

Florida Customer Power Outages January 15, 2016			
Electric Utility	State	Peak	Latest Reported
FPL	FL	57,731	17,598
Orlando Utilities Commission	FL	10,000	5,146
Duke Energy	FL	1,600	1,556
Tampa Electric	FL	1,596	1,430
TOTAL*		70,927	25,730

*Total outages represent only electric utilities listed in this table.

Sources:

<http://www.fplmaps.com/>

<https://twitter.com/OUCreliableone>

<http://www.ouc.com/customer-support/outages-and-problems/outage-map>

<http://outagemap.duke-energy.com/fl/default.html>

<https://twitter.com/tampaelectric>

<http://www.tampaelectric.com/residential/outages/outagemap/>

<http://www.orlandosentinel.com/weather/os-florida-storms-el-nino-hurricane-20160114-story.html>

Michigan State University's 100 MW T.B. Simon Power Plant Nears End of Coal Use, Will Run on Natural Gas

Michigan State University's power plant in East Lansing will run only on natural gas after the last of its coal reserves are depleted spring. The university announced plans last year to phase out coal use at the T.B. Simon Power Plant by the end of 2016. The director of utilities said the university has about 8,000 tons of coal that it plans to exhaust in the spring.

Reuters, 17:01 January 14, 2016

DOE Announces New Investments in Advanced Nuclear Power Reactors to Help Meet Carbon Emission Reduction Goal January 15

In support of the Obama administration's goal to produce more carbon-free energy, today the U.S. Department of Energy (DOE) announced the selection of two companies, X-energy and Southern Company, to further develop advanced nuclear reactor designs. These awards, with a multi-year cost share of up to \$80 million for both companies, will support work to address key technical challenges to the design, construction, and operation of next generation nuclear reactors. DOE will fund cost-shared research and development activities with industry to support these two companies with performance-based, advanced reactor concepts for further development in the areas of safety, operations, and economics. The projects announced today will allow industry-led teams, which include participants from universities and national laboratories, to further nuclear energy technology, and will enable companies to further develop their advanced reactor designs with potential for demonstration in the 2035 timeframe. Initially, DOE's investment will be \$6 million for each project and both companies will provide cost-share.

<http://www.energy.gov/articles/energy-department-announces-new-investments-advanced-nuclear-power-reactors-help-meet>

Shell Reports Operations Not Affected by Vapor Release, Emissions at Its 316,600 b/d Deer Park, Texas Refinery January 15

Royal Dutch Shell reported operations were not affected at its Deer Park, Texas refinery following a vapor release from an unspecified unit. Later on Friday operations reported emissions from distilling, hydrodesulfurization unit 2 reactor v-5200 outline line.

Reuters, 15:08 January 15, 2016

Reuters, 14:54 January 15, 2016

PES Reports Unit Startup at Its 335,000 b/d Philadelphia, Pennsylvania Refinery January 13

Philadelphia Energy Solutions (PES) reported unit 433 at the Girard Point section of its Philadelphia refinery returned to service on January 13.

Reuters, 14:30 January 15, 2016

Alberta Energy Regulator Fines Pengrowth Energy for 48-day Oil Pipeline Leak January 14

The Alberta Energy Regulator fined Pengrowth Energy Corporation \$250,000 over a pipeline breach that spilled nearly 3,400 barrels of oil emulsion in northern Alberta over 48 days. The regulator says Pengrowth failed to properly detect, report, and deal with the spill near Red Earth Creek. The regulator says the mixture of oil and oilwell salt water leaked between December 1, 2013, and January 18, 2014, before the company became aware of the spill. The regulator added that the company has since cleaned up the area affected by the spill.

<http://www1.aer.ca/compliancedashboard/enforcement.html>

http://www1.aer.ca/compliancedashboard/enforcement/201601-01_AP_Decision_Pengrowth_2014-022.pdf

North Dakota Oil Output Rises for Second Consecutive Month in November – Department of Mineral Resources

North Dakota's daily oil production rose for the second consecutive month in November despite an oil market rout that has cut global prices by nearly 75 percent in the last 18 months. Oil production in the state rose by 5,000 b/d to 1.18 million barrels, monthly data from the State's Department of Mineral Resources showed. The state had 13,077 producing wells, about 113 lower than October, according to the data, which reports on a two-month lag. The rig count fell by 1 to 64 in November and remained unchanged in December.

Reuters, 11:51 January 15, 2016

Natural Gas

Update: SoCalGas Reports Relief Well in Phase 4 to Stop Natural Gas Leak at Its 86 Bcf Aliso Canyon Storage Facility in California January 13

Southern California Gas (SoCalGas) on Wednesday said it was continuing to work on a relief well to stop the natural gas leak at its Aliso Canyon Storage Facility. The relief well efforts are now in Phase 4, the "Follow" phase, and drilling is occurring at more than 7,600 feet as of January 13. The objective of this phase is to maintain the proper distance and angle to the target well, while following it down to below 8,000 feet of measured depth using active magnetic ranging. This phase will put the relief well into position for the final phase of intercepting and plugging the targeted well and rupture. The relief well process is scheduled to be complete sometime between late-February and late-March.

<https://www.alisoupdates.com/main>

<http://finance.yahoo.com/news/southern-california-gas-aliso-canyon-001300929.html>

Enbridge Reports Required Emergency Maintenance at Its Pittsburg Gas Plant in Texas January 14

Enbridge reported required emergency maintenance was conducted on a compressor unit (Comp-1) at its Pittsburg gas plant. During this period Comp-1 was depressurized and emissions normally captured by the vapor recovery unit system were directed to the HP-flare resulting in the emission event. Inlet rates were reduced and Comp-1 was depressurized to perform the required maintenance on the unit. During this time Enbridge maintained the use of the emergency flare to mitigate impacts to the environment.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=225993>

Southern Union Reports Amine System Failure at Its Keystone Gas Plant in Texas January 13

Southern Union reported a total failure of the amine system at its Keystone gas plant leaving it unable to treat gas. Operations cut out 55 percent of inlet gas from 65 MMcf/d to 29 MMcf/d to minimize emissions.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=225980>

Other News

Coast Guard Reports Barge Allision on Mississippi River Spills 292,000 Gallons Denatured Ethanol near Arkansas January 12; Barge Recovery Operation Compete January 14

The U.S. Coast Guard on Thursday said barge recovery operations were completed, including the lightering of 1,976,000 gallons of denatured ethanol from barges near Helena, Arkansas. Over a four-day period, 292,000 gallons leaked into the river after the barges were damaged in an allision with the Helena Highway Bridge, which took place at around 10:00 p.m. CST, Monday. Lightering operations did not begin until approximately 11:30 a.m. CST, Wednesday. Investigators believe the denatured ethanol was released into the Mississippi River and quickly mixed into the water column, making the released product unrecoverable. The incident remains under investigation and authorities have informed water intake facilities in the area of the release. The Coast Guard was working with the National Oceanic and Atmospheric Administration (NOAA), the State of Arkansas, the State of Mississippi, and National Response Corporation, a pollution recovery company.

<http://www.uscgnews.com/go/doc/4007/2776130/>

DOI Halts New Coal Leases on Federal Land for Its Coal Program Review January 15

U.S. Interior Secretary Sally Jewell on Friday ordered a pause on issuing new coal leases on federal land in another step by the Obama administration to control climate change in the first major review of the country's coal program in three decades. The pause could last three years, Jewell said, while officials determine how to protect taxpayers' stake in coal sales from public lands and how burning coal could worsen climate change as Federal land accounts for over 40 percent of U.S. coal production. Jewell said the Interior Department will adopt measures to boost transparency of federal coal leasing, including a public emissions databases and online portals for pending requests. Jewell said the pause will not apply to existing coal production and that the government will allow mining of metallurgical coal used in making steel, as well as emergency leases if more reserves are needed for power generation.

<https://www.doi.gov/pressreleases/secretary-jewell-launches-comprehensive-review-federal-coal-program>

Reuters, 11:45 January 15, 2016

International News

Yemen's 150,000 b/d Aden Oil Refinery Hit by Explosions, No Damage Reported; Refinery Shut on Low Crude Supply January 15 – Official

A blast hit oil pipelines connecting storage tanks at Yemen's southern port and its Aden refinery caused a fire early on Friday, a Yemeni official said. A roadside bomb near the pipelines exploded early on Friday but the fire was put out two hours later causing no damage to the refinery or the pipelines that feed the local market with refined products, a spokesman for the Aden refinery said. The source said the refinery was shut on low crude supply, but that it continues to supply the domestic market with refined product imports.

http://tradedarabia.com/news/OGN_298736.html

Energy Prices

U.S. Oil and Gas Prices			
January 15, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	29.40	33.15	47.45
NATURAL GAS Henry Hub \$/Million Btu	2.19	2.35	3.13

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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