



# ENERGY ASSURANCE DAILY

Monday Evening, January 27, 2014

## *Major Developments*

---

### **TransCanada Canadian Mainline's Emerson Lateral Explodes in Manitoba January 25**

At approximately 12:15 a.m. Mountain Time on January 25, TransCanada Pipeline's (TCPL) Canadian Mainline experienced an explosion and fire on the Emerson lateral, near Otterburne, Manitoba, resulting in isolation of the affected pipeline. The fire was extinguished by the afternoon of January 25. The three pipelines that make up the Emerson lateral were shut down as a result of the fire: the one that exploded, and the two adjacent lines, which were shut for inspections. On January 26, flows resumed on one of the two pipelines that was shut down for inspections, and this line is expected to reach full capacity by the afternoon of January 27. Viking Gas Transmission, which receives gas from the Emerson lateral in Minnesota, reported on January 27 that flow to its system has been restored; however the gas flow and capacity levels have not yet returned to normal levels. Viking has requested that its customers begin a staged reinstatement of normal services immediately to allow a progressive normalization of the Viking system. On January 25, Xcel Energy, which receives gas from the Viking, asked customers in North Dakota, Minnesota, and Wisconsin to conserve natural gas. On January 27, Xcel said progress was being made on restoring normal natural gas transmission service to parts of its service territory in the Upper Midwest, and the company lifted its conservation appeals. In addition, Canada's National Energy Board said that the shutdown of the Emerson lateral had shut off gas for as many as 4,000 Manitoba Hydro natural gas customers. TransCanada and Manitoba Hydro were working to restore natural gas service as quickly as possible. In the meantime, trucks containing compressed natural gas were sent to metering stations in the area to provide critical service to nursing homes and hospitals.

<http://www.reuters.com/article/2014/01/26/transcanada-pipeline-explosion-idUSL2N0L000Y20140126?feedType=RSS&feedName=rbssEnergyNews>

<http://www.tsb.gc.ca/eng/medias-media/deploiement-deployment/pipeline/2014/20140125.asp>

[http://www.nrgexpressway.com/servlet/nrginfo.ew.notices.ShowNotice?bulletin\\_id=290860501](http://www.nrgexpressway.com/servlet/nrginfo.ew.notices.ShowNotice?bulletin_id=290860501)

<http://www.vgt.nborder.com/>

[http://www.xcelenergy.com/About\\_Us/Energy\\_News/News\\_Releases/Natural\\_gas\\_is\\_flowng\\_to\\_Xcel\\_Energy%E2%80%99s\\_Upper\\_Midwest\\_system;\\_company\\_lifts\\_some\\_conservation\\_appeals](http://www.xcelenergy.com/About_Us/Energy_News/News_Releases/Natural_gas_is_flowng_to_Xcel_Energy%E2%80%99s_Upper_Midwest_system;_company_lifts_some_conservation_appeals)

<http://www.neb-one.gc.ca/clf-nsi/rthnb/nws/nwsrls/2014/nwsrls03-eng.html>

<http://www.hydro.mb.ca/safety/emergencies.shtml>

<http://www.myfoxtwincities.com/story/24555045/xcel-energy-expects-to-lift-conservation-request>

## *Electricity*

---

### **Update: Constellation's 825 MW Calvert Cliffs Nuclear Unit 1 in Maryland Restarts by January 25, Ramps Up to 97 Percent by January 27**

On the morning of January 26 the unit was operating at 23 percent from 7 percent on January 25, according to the Nuclear Regulatory Commission. The unit shut from full power by January 22.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

### **Update: Constellation's 835 MW Calvert Cliffs Nuclear Unit 2 in Maryland Restarts by January 26, Ramps Up to Full Power by January 27**

On the morning of January 26 the unit restarted and was operating at 33 percent, according to the Nuclear Regulatory Commission. The unit shut from full power by January 22.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

## **Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi Ramps Up to 97 Percent by January 25**

On the morning of January 24 the unit was operating at 88 percent from 79 percent on January 23, according to the Nuclear Regulatory Commission. The unit was operating at full power on January 22.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

## **Dynergy's 335 MW El Segundo Gas-fired Unit 4 in California Shut by January 24**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201401241515.html>

## **PG&E's 154 MW Kerkhoff Hydro Unit 1 in California Returns to Service by January 25**

The unit returned from an unplanned outage that began January 24.

<http://content.caiso.com/unitstatus/data/unitstatus201401251515.html>

## **Cabrillo Power I, LLC's 106 MW Encina Gas-fired Unit 1 in California Returns to Service by January 25**

The unit returned from an unplanned outage that began by January 24.

<http://content.caiso.com/unitstatus/data/unitstatus201401251515.html>

## ***Petroleum***

---

### **Update: Midwest Spot Propane Prices Ease Below \$4 per Gallon January 27**

Spot propane prices at the key storage and trading hub in Conway, Kansas, eased below \$4 per gallon on Monday, traders and brokers said, after jumping to near \$5 last week as the extreme cold in the U.S. caused a surge in demand for the heating fuel. Propane prices for January delivery traded at \$3.80 per gallon in Kansas, after opening at \$4, steady to where prices were seen late on Friday. Even after prices eased on Friday and Monday, propane at the Conway hub continues to be priced more than double its January 17 value, when supply was trading around \$1.75 per gallon ahead of last week's price spike. At the Gulf Coast storage hub at Mont Belvieu, Texas, spot propane prices for January delivery traded at \$1.51 a gallon, only a penny off from the low end of Friday's trading range of from \$1.52 to \$1.54 per gallon. Prices reached \$1.61 per gallon on Thursday.

Reuters, 12:55 January 27, 2014

### **Winter Storm, Freezing Temperatures Have Little Impact on U.S. Gulf Coast Refineries January 24**

A winter storm that dropped temperatures below freezing on Friday across the U.S. Gulf Coast had little impact on U.S. crude oil refineries, though it shut a key waterway overnight, possibly delaying some crude oil shipments. Ships resumed moving along the 53-mile Houston Ship Channel at noon CST on Friday as high winds, brought on by the winter storm, lost some intensity, the U.S. Coast Guard said. The Coast Guard said 23 ships were waiting to sail from or to the port of Houston between noon on Friday and 6:30 a.m. CST on Saturday, about an average number for the Houston Channel. Some of the largest refineries in the U.S., like Exxon Mobil Corp.'s 502,500 b/d plant in Baton Rouge, Louisiana, said operations were normal despite temperatures that iced bridges and highways. Refiners had made preparations similar to those for tropical storms as the cold front approached, including finding temporary housing near plants for essential operators. Refineries along the U.S. Gulf Coast, stretching from Corpus Christi, Texas to Pascagoula, Mississippi, account for 45 percent of national crude oil refining capacity.

Reuters, 14:40 January 24, 2014

### **ExxonMobil Reports Normal Operations After Valve Snag at Its 348,500 b/d Beaumont, Texas Refinery January 24**

ExxonMobil Corp. reported that operations at its Beaumont, Texas, refinery were brought to normal following a valve malfunction on Friday, according to a notice filed with the Texas Commission on Environmental Quality. The malfunction led to emissions from the fluid catalytic cracker unit flare, the filing said. The refinery anticipated no impact to production due to the incident, it added.

Reuters, 17:10 January 24, 2014

## **Total Cuts Rates at Its 233,500 b/d Port Arthur, Texas Refinery After FCCU Compressor Shuts January 24**

Total reported it reduced refinery rates at its Port Arthur, Texas, refinery on Friday, following the unexpected shutdown of a wet gas compressor in a fluid catalytic cracker unit (FCCU), according to a filing with the Texas Commission on Environmental Quality. The company had earlier reported flaring at the refinery, according to a message posted on a community information line.

Reuters, 14:26 January 24, 2014

## **Power Failure Shuts CDU at Chevron's 279,000 b/d El Segundo, California Refinery January 25**

One of two crude distillation units (CDU) was shut on Saturday by a power failure at Chevron Corp's Los Angeles-area refinery in El Segundo, California, according to a notice filed with the National Response Center. The CDU, designated crude unit no. 4 by Chevron, performs atmospheric and vacuum distillation of crude oil as it initially enters the refinery. According to the refinery's operating permit, it is the only unit performing vacuum distillation at the refinery.

Reuters, 15:51 January 26, 2014

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1072079](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1072079)

## **Tesoro Reports Unit Upset at Its 100,000 b/d Wilmington, California Refinery January 27**

Tesoro Corp. on Monday reported an unspecified process unit upset at its Wilmington refinery in the Los Angeles area, according to a filing with the California Emergency Management Agency. Flaring resulted in a release of about 811 pounds of sulfur dioxide, according to the filing.

Reuters, 8:45 January 27, 2014

## **ExxonMobil Reports No Impact on Operations After Equipment Failure at Its 238,600 b/d Joliet, Illinois Refinery January 26**

Exxon Mobil Corp. said there was no impact on operations from an equipment failure at its Joliet refinery in Channahon, Illinois, on Sunday. The failure led to hydrogen sulfide emissions, the company said in a filing with the National Response Center. It did not specify which unit was involved.

Reuters, 7:04 January 27, 2014

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1072176](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1072176)

## **Philadelphia Energy Reports Startup, Shutdown of Units at Its 335,000 b/d Philadelphia, Pennsylvania Refinery January 24**

Philadelphia Energy Solutions reported the startup and shutdown of various units at the Point Breeze and Girard Point sections of its refinery in Philadelphia, according to a filing with state regulators made public on Friday. The company reported that 1733 unit at the Girard Point section was taken offline for 'process concerns' and returned to service on January 22. Separately, unit 1732 at Girard Point was pulled out of circulation for maintenance and brought back online on January 21, the filing said. It also reported the shutdown of unit 210B for crude charge pump replacement at the Point Breeze terminal, on January 19.

Reuters, 15:40 January 24, 2014

## **Chevron Reports Production System Snag at Covington, Louisiana Platform January 27**

Chevron Corp. reported equipment failure at its platform in Covington, Louisiana, according to a notice filed with the National Response Center. There was a malfunction in the main production system leading to a release of produced water with a small amount of crude oil in it, the filing said.

Reuters, 00:39 January 27, 2014

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1072150](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1072150)

## **Five Cars of Canadian National Railway Freight Train Derail in New Brunswick January 26; One Derailed Car Was Carrying LPG**

Canadian National Railway Co. (CN) said on Monday that five cars on one of its freight trains derailed late Sunday in Saint-Basile, New Brunswick, the second such incident this month. No injuries were reported. One car carried a load of liquefied petroleum gas (LPG), according to a CN spokesperson. The spokesperson said there was no fire, and railroad workers and the local fire department were on the scene. There were no leaks reported and no evacuation was planned. The spokesman said of the four other derailed cars, three carried automobiles and the fourth, clay. The company is investigating the cause of the derailment.

Reuters, 7:34 January 27, 2014

### **All NGL Fractionators Back Online Following Power Supply Interruption at Enterprise's 425,000 b/d Mont Belvieu, Texas Complex – Genscape**

According to Genscape, the 85,000 b/d natural gas liquids (NGL) fractionator at Enterprise's Mont Belvieu complex was restarted at 6:18 a.m. EST on January 25. All monitored Enterprise NGL fractionators were back online following a multiple unit upset at 7:32 a.m. EST on January 24. The upset was caused by a power supply interruption, according to a filing with the Texas Commission on Environmental Quality. Reuters, 15:20 January 26, 2014

### **Tennessee Gas Pipe Line Issues System-wide Operational Flow Order Due to Cold Weather January 27**

Tennessee anticipates continued limited flexibility due to higher pipeline capacity utilization and significantly colder weather on the entire system. Due to the colder weather and low storage levels, effective for chart time, Tuesday, January 28, Tennessee is expanding its OFO Critical Day 1 for Zones 1, 2, 4, 5, and 6 to a system wide OFO Critical Day 1 including all Zones 0, L, 1, 2, 3, 4, 5 and 6. Tennessee is issuing this Critical Day I OFO system wide for all Balancing Parties including LMS-PA, SA contracts acting as balancing parties, LMS-MA, and LMS-PL balancing parties. All delivery point operators are required to keep actual daily takes out of the system equal to or less than scheduled quantities regardless of their cumulative imbalance position. All receipt point operators are required to keep actual daily receipts into the system equal to or greater than scheduled quantities regardless of their cumulative imbalance position..

[http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc\\_nbr=351128](http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc_nbr=351128)

[http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc\\_nbr=351138](http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc_nbr=351138)

### **Regency Reports AGC Shut at Its 290 MMcf/d Waha Gas Plant in Texas January 24**

Regency reported the acid gas compressor (AGC) shut down on a low lubricator flow alarm on cylinders 2-4-6 at its Waha gas plant. An investigation found a broken fitting on the lubricator pump. Acid gas was routed to the flare and the fitting was replaced. Extremely cold weather necessitated an extended system warm-up using sweet gas. Once the AGC was at operating temperature, the acid gas stream was re-directed to injection.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193401>

### **DCP Midstream's 160 MMcf/d Goldsmith Gas Plant in Texas Trips Due to Bad Transmitter January 24**

DCP Midstream reported its Goldsmith gas plant had an electrical issue associated with the stage two surge line that tripped due to a bad transmitter. Operations found and replaced the bad transmitter.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193421>

### **ExxonMobil Reports Cat-3 Unit Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas January 24**

ExxonMobil reported the cat-3 unit shut on low second interstage pressure three times due to a faulty pressure gauge. The operator restarted the unit each time but could not restart it a third time and called mechanics to replace the pressure gauge. The flowing wells were shut in to mitigate flaring and the gauge was replaced. The magneto calibration sensor was adjusted and the unit was restarted.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193425>

### **Enbridge Reports AGIs Trip, Facility Shutdown at Its Tilden Gas Plant in Texas January 24, 25**

Enbridge reported on January 25 acid gas injectors (AGIs) no. 2 and no. 3 tripped due to loss of communication through the Delta V control computers. This failure caused the entire facility to shut down. The facility regained automated control with the repair of the Delta V computers and gas was introduced into the system. As acid gas came available, AGI no. 2 and no. 3 were restarted and stabilized. On January 24, AGIs no. 2 and no. 3 tripped on high suction temperature due to fan coolers and fan louvers freezing due to cold temperatures. Drains on AGI no. 3 first and fourth stage scrubbers were found to be clogged. Plant inlet gas was curtailed on both WK and BF systems to reduce gas flaring. Plant personnel were called out to assist in unfreezing coolers and fan louvers. Drains on the scrubbers were unplugged and all air lines drained to reduce the threat of freezing. AGIs no. 2 and no. 3 were restarted and stabilized.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193434>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193379>

## Enbridge Reports Compressor Shut Due to Low Suction Pressure at Its Pittsburgh Gas Plant in Texas January 24

Enbridge reported its Pittsburgh gas plant was in the process of receiving liquids from line maintenance activities (pigging) and during the event the compressors shut down due to low suction pressure. Vapors normally captured by the vapor recovery unit were directed to the HP-flare resulting in an emissions event. Enbridge operators reduced inlet rates to maintain plant integrity until compressor operation could be restored. Enbridge operators maintained the use of the emergency flare to mitigate impact to the environment until a technician could restore operations.  
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193429>

## Southern Union Reports SRU Shut at Its Keystone Gas Plant in Texas January 23

Southern Union reported the sulfur recovery unit (SRU) at its Keystone gas plant shut on high A bed temperature. The SRU was cooled to below shutdown temperature and it was restarted.  
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=193381>

## Other News

---

### U.S. DOT Announces New Rule for Improving Rail Safety Standards January 24

The U.S. Department of Transportation (DOT) on Friday announced a new rule intended to improve railway safety and lower the risk of derailments, in part by requiring more frequent track inspections and prompt repairs when flaws are detected. The rule change followed a review that started in October 2012 and took into consideration a number of railroad accidents in the U.S. dating back to 2001. Separately, the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration has been studying railcar design and the composition of Bakken crude oil from North Dakota after a string of explosive derailments. A 28-page document of the new rule from the Federal Railroad Administration, part of the U.S. Department of Transportation, was published in the Federal Register. A public comment period runs through May 9.

Reuters, 17:21 January 24, 2014

<http://www.fra.dot.gov/eLib/Details/L04920>

## International News

---

Nothing to report.

## Energy Prices

---

<b>U.S. Oil and Gas Prices</b> January 27, 2014			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	95.32	94.32	95.12
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.19	4.33	3.56

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](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**

---

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. ET. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)