



ENERGY ASSURANCE DAILY

Monday Evening, February 08, 2016

Electricity

Update: Restoration Nearly Complete to 378,000 Customers in New England, New York February 8 after Snowstorm Hit February 5

A snowstorm producing heavy snow and high winds knocked out power to 378,000 customers from New York to New Hampshire beginning on Friday morning. As of 3:30 p.m. EST Monday, 711 customers remained without power. Eversource, the hardest hit utility with 85,000 customer outages in Connecticut and 95,000 in Massachusetts, said most customers in Connecticut had power restored by midnight on February 6. In Massachusetts, Eversource crews were working throughout the day on Sunday clearing trees and damaged equipment before they could make the necessary repairs. National Grid on Sunday said its crews had restored power to approximately 97 percent of the 149,000 customers in Massachusetts and Rhode Island who were affected by the storm. The table below shows total affected customers and the latest reported outages by utility. The “Affected” column shows the total count of customers that lost power at one point or another over the course of the storm for each utility. These outages may not have occurred concurrently and are not the same as peak outages.

| New England and New York Customer Power Outages | | | |
|---|-------|----------------|-----------------|
| February 5–8, 2016 | | | |
| Electric Utility | State | Affected | Latest Reported |
| Eversource | CT | 85,000 | 172 |
| Eversource | MA | 95,000 | 368 |
| National Grid | MA/RI | 149,000 | 116 |
| PSEG Long Island | NY | 49,000 | 55 |
| TOTAL* | | 378,000 | 711 |

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

Sources:

- <https://www.eversource.com/clp/outage/outagemap.aspx>
- <https://twitter.com/eversourcect>
- <https://twitter.com/eversourcema>
- https://s3.amazonaws.com/stormcenter.nationalgridus.com/external/sc_ma.html
- http://www.nationalgridus.com/aboutus/a3-1_news2.asp?document=10164
- <https://www.psegliny.com/c.cfm/Outage>
- <https://www.psegliny.com/page.cfm/AboutUs/PressReleases/2016/020615-storm-700>

Entergy’s 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Reduced to 12 Percent by February 8

On the morning of February 7 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Progress Energy’s 872 MW Brunswick Nuclear Unit 1 in North Carolina Shut on February 7

The unit shut from 88 percent due to an electrical fault that resulted in a fire and an explosion.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160208en.html>

Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois Reduced to 87 Percent by February 8

On the morning of February 7 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Update: Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana at Full Power by February 8

On the morning of February 7 the unit was operating at 89 percent after restarting by January 31. The unit shut from full power on January 9 following an electrical failure caused by a lightning strike.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Reuters, 3:04 January 11, 2016

Update: PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey Restarts February 6, Ramps Up to Full Power by February 7

The unit shut from full on February 4 due to a main turbine trip.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160205en.html>

Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Reduced to 68 Percent by February 7

On the morning of February 6 the unit was operating at 83 percent, reduced from full power on February 5. Entergy said it cut power to conduct work on the main feed pump after oil pressure was determined to be lower than normal.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Reuters, 11:13 February 8, 2016

Update: Cabrillo Power's 330 MW Encina Gas-fired Unit 5 in California Returns to Service by February 7

The unit returned from an unplanned outage that began on February 5.

<http://content.caiso.com/unitstatus/data/unitstatus201602071515.html>

La Paloma Generating Company's 256 MW Gas-fired Unit 3 in California Shut by February 7

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201602071515.html>

SCE's 820 MW Big Creek Hydro Unit in California Reduced by February 6

The unit entered an unplanned curtailment of 540 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201602061515.html>

Governor Orders Probe after Radioactive Material Found in Groundwater below Entergy's 2,069 MW Indian Point Nuclear Plant in New York February 5

Entergy's Indian Point nuclear power plant, north of New York City, on Friday leaked water contaminated with radioactive tritium into the groundwater below the facility, sparking an investigation by state officials, Governor Andrew Cuomo said on Saturday. Cuomo said he learned on Friday of "alarming" levels of radioactivity at three monitoring wells at the Indian Point plant in Buchanan. The governor has previously asked the Nuclear Regulatory Commission to shut down the plant because of doubts over the safe evacuation of the area in the event of an accident. Cuomo said Entergy Corp informed him the contaminated water has not migrated off the site and poses no public health risk. One monitoring well showed a nearly 65,000 percent spike in radioactivity, from 12,300 picocuries per liter to more than 8 million picocuries per liter, the governor said. The governor said he has directed the state departments for the environment and health to investigate the leak. Entergy in a statement said the tritium likely reached the ground at Indian Point during recent work at the site. The company is seeking to relicense the two reactors at Indian Point for another 20 years, but Cuomo has asked the NRC to deny Entergy's application for relicensing.

<https://www.governor.ny.gov/news/statement-governor-andrew-m-cuomo-regarding-indian-point-nuclear-facility>

<http://www.safesecurevital.com/entergy-statement-on-comprehensive-groundwater-monitoring-program-and-elevated-tritium-at-indian-point/>

Reuters, 6:00 February 6, 2016

Update: PBF Energy Warns of Flaring at Its 182,200 b/d Delaware City, Delaware Refinery February 6

PBF Energy warned of intermittent flaring on Saturday as its Delaware City, Delaware, refinery was in the process of being restarted, according to a community alerting system. The refinery experienced a plant-wide, unplanned shutdown on January 24 due to a loss of power during a severe winter storm. The company had plans to restart the 86,000 b/d fluid catalytic cracking unit on Wednesday after discovering a leak February 1.

Reuters, 9:36 February 7, 2016

<http://investors.pbfenergy.com/press-releases>

Update: Motiva Restarts Naphtha Complex at Its 603,000 b/d Port Arthur, Texas Refinery February 8 – Sources

Motiva Enterprises over the weekend completed the restart of the naphtha processing complex at its Port Arthur, Texas, refinery, sources familiar with plant operations said on Monday. Motiva began the restart of the units in the complex on Friday. The complex had been shut since a January 27 breakdown. Motiva also reported benzene emissions at the refinery on February 5. It did not specify if the emissions were related to naphtha processing complex restart.

Reuters, 12:44 February 8, 2016

Reuters, 1:25 February 8, 2016

ExxonMobil Reports Ongoing Emissions Due to Pipeline Hole at Its 560,500 b/d Baytown, Texas Refinery February 8

ExxonMobil Corp reported ongoing emissions due to a hole in a pipe at its Baytown, Texas refinery, according to a filing with the Texas Commission on Environmental Quality over the weekend. The event began on Saturday and was expected to end on Monday, the filing said. The line was being isolated for repairs, the filing added.

Reuters, 10:30 February 8, 2016

Update: ExxonMobil Says Operations Resumed at Its 344,600 b/d Beaumont, Texas Refinery February 5

ExxonMobil Corp said operations at its Beaumont, Texas refinery resumed.

Reuters, 5:05 February 5, 2016

Shell Reports Normal Operations after Completing Unplanned Maintenance at Its 316,600 b/d Deer Park, Texas Refinery February 8

Shell Oil Co said on Monday that operations were normal at its joint-venture Deer Park, Texas, refinery after completing unplanned maintenance. The company did not identify which units were being repaired but sources familiar with plant operations said the largest crude distillation unit (CDU) at the refinery was shut on Thursday due to a feed line rupture. The 270,000 b/d CDU was also hit by a fire on Thursday that lasted about 35 minutes, the sources said.

Reuters, 1:54 February 8, 2016

Citgo Says Operations Normal after SRU Outage at Its 157,500 b/d Corpus Christi West, Texas Refinery February 5

Citgo Petroleum Corp on Friday said normal unit operations resumed at the West Plant of its Corpus Christi, Texas, refinery following a sulfur recovery unit (SRU) electrical outage earlier in the day.

Reuters, 3:21 February 5, 2016

Shell Restarting Unit at Its Scotford, Alberta Facility February 7

Royal Dutch Shell reported restarting an unspecified unit at its Scotford, Alberta, facility on Sunday, according to a community alerting system. There will be intermittent flaring for the next 12 hours, the message added. The Scotford facility houses a 100,000 b/d refinery and a 255,000 b/d oil sands upgrader.

Reuters, 8:18 February 7, 2016

Fairway Energy Finds Additional 1 Million Barrels of Crude Oil Storage at Its Houston, Texas Facility February 5

Early construction of Fairway Energy Partners' Pierce Junction underground crude storage caverns in south Houston has yielded an additional 1 million barrels of capacity, which will bring storage capabilities at the site to 11 million barrels. Fairway found the extra space at salt domes previously used for brine production, which over time had prompted the cavern to grow, the chief executive officer said. Salty water, or brine, is widely used to push hydrocarbons from underground storage facilities. The company is considering an expansion that would put additional caverns into service and double capacity.

Reuters, 4:07 February 5, 2016

<http://www.fairwaymidstream.com/pierce-junction.html>

Oil Drillers Cut Oil Rigs for Seventh Straight Week – Baker Hughes

U.S. energy firms this week cut oil rigs for a seventh week in a row to the lowest levels since March 2010, data from Baker Hughes showed on Friday. Drillers removed 31 oil rigs in the week ended February 5, the biggest cut since April 2015, bringing the total rig count down to 467.

http://www.rigzone.com/news/oil_gas/a/142922/Baker_Hughes_US_Oil_Drillers_Deepen_Cuts_in_7th_Week_of_Declines#sthash.OsAwecYw.dpuf

Update: Canadian Regulators to Decide on Kinder Morgan's 590,000 b/d Trans Mountain Oil Pipeline Expansion by End of 2016

Canada's federal government will make a decision on Kinder Morgan Inc.'s Trans Mountain oil pipeline expansion by the end of the year after additional consultations and considering the country's national interest, Natural Resources Minister Jim Carr said. The government added an additional four months to the regulatory process under the National Energy Board in order to provide more assessment of the Trans Mountain project. The pipeline currently ships 300,000 b/d of crude from Edmonton, Alberta, to Burnaby, British Columbia. The proposed expansion will increase capacity to 890,000 b/d.

http://www.downstreamtoday.com/news/article.aspx?a_id=50983

Natural Gas

Enbridge Reports SRU Failure at Its Pittsburg Gas Plant in Texas February 5

Enbridge reported a sulfur recovery unit (SRU) blower and ignitor system failure which resulted in SCOT unit and SRU shutdowns. Replacement parts were installed to bring the equipment back online. To mitigate emissions during this event, the thermal oxidizer was utilized.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=227251>

Targa Reports Power Outage, AGC Shut at Its 150 MMcf/d Sand Hills Gas Plant in Texas February 5

Targa reported third party purchased power was lost causing the inter-stage cooling fans for the acid gas compressor (AGC), C-14, to shut down. The AGC was restarted as soon as third party purchased power was restored.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=227249>

Bear Head LNG Receives DOE Authorization for Exports to Non-FTA Countries February 8

The U.S. Department of Energy (DOE) issued final authorization for Canada's Bear Head LNG to export liquefied natural gas (LNG) derived from U.S. produced natural gas to countries that do not have free trade agreements (FTA) with the U.S. This approval, in addition to DOE's prior approval for exports to FTA countries, now allows Bear Head LNG to export LNG to countries with which trade is not prohibited by U.S. law or policy. Bear Head LNG is the first and only proposed Canadian LNG export facility to receive both the non-FTA authority from DOE and all the initial regulatory approvals to commence project construction. In tandem with the non-FTA export permit, DOE determined that Bear Head LNG does not require DOE's authorization for Canadian natural gas to pass through U.S. pipelines (in transit) on its way to the export facility in Nova Scotia. The Bear Head LNG project is located on Nova Scotia's Strait of Canso near Port Hawkesbury.

<http://www.lnglimited.com.au/IRM/PDF/3713/BearHeadLNGReceivesUSDOEAuthorizationforExports>

North Dakota PSC Schedules Public Hearing for Proposed Pipelines

The North Dakota Public Service Commission (PSC) will hold a public hearing in Killdeer on February 22 for two proposed pipelines, one NGL and one crude oil in McKenzie County. ONEOK Bakken Pipeline LLC is seeking a permit for a 14-mile natural gas liquids pipeline that would connect with the existing Garden Creek Pipeline to expand its capacity from 74,000 b/d to 93,000 b/d. Oasis Midstream Services LLC is seeking a permit for the Wild Basin to Johnsons Corner Crude Oil Pipeline. The 19-mile pipeline would have a capacity of 75,000 b/d and would include three above-ground storage tanks.

<http://www.psc.nd.gov/public/newsroom/2016/2-22-16ONEOK-Bear-Creek-NGL-Pipeline-Project.pdf>

Other News

Nothing to report.

International News

UAE Plans Floating LNG Import Terminal in Second Half of 2016 – Sources

State-owned Abu Dhabi National Oil Co. (ADNOC) plans to start a new liquefied natural gas (LNG) floating import terminal in the second half of this year, three LNG industry sources said. The floating import terminal is being supplied by U.S. gas shipping company Excelerate Energy, the sources said. One of the sources said the terminal's import capacity will be about 1 million metric tons per annum. The UAE already imports LNG via a floating terminal supplied by Excelerate Energy off the coast of Dubai.

http://www.downstreamtoday.com/news/article.aspx?a_id=50984

Pemex Reports Platform Fire under Control in Gulf of Mexico February 7

Pemex on Sunday reported a fire that broke out on an oil processing platform in the Gulf of Mexico was under control, although three workers were killed and at least seven injured. A spokesman said oil continued to be pumped but that the company was still evaluating any impact on production. The platform did not have to be evacuated.

http://www.rigzone.com/news/oil_gas/a/142933/Fire_On_Mexico_Pemex_Platform_Kills_3_Workers_Now_Under_Control#sthash.nfSBmGbY.dpuf

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| February 8, 2016 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 29.66 | 31.57 | 51.61 |
| NATURAL GAS Henry Hub \$/Million Btu | 2.09 | 2.25 | 2.63 |

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>

Please direct comments and questions to: ead@oe.netl.doe.gov