



ENERGY ASSURANCE DAILY

Thursday Evening, February 21, 2013

Electricity

Utilities Monitoring, Preparing for Major Winter Storm as It Crosses the Central United States February 21

The U.S. National Weather Service was tracking a major winter storm as it continued across much of the central United States on Thursday. Snow, heavy at times, is expected to fall over much of the central Plains, with accumulations of more than a foot expected in some locations. Sleet and freezing rain are likely across parts of the Mississippi and Ohio Valleys. Farther to the south, the system will bring the threat of severe weather to the Gulf Coast. These conditions, which could cause extensive power outages, have mobilized utilities serving customers throughout the central United States to prepare for the storm. Ameren Missouri said it was ready to deploy up to 1,500 linemen, field checkers, and tree trimmers in anticipation of the forecasted weather system. Additional resources were scheduled to mobilize later today from Iowa and Ohio. Entergy Arkansas said more than 1,000 additional restoration workers, including line, vegetation, and scout personnel, were in position and ready to respond to any outages caused by ice storms in the north and central regions of the state, and thunderstorms in the south. As of this afternoon, however, utilities in the region were reporting only minimal power outages.

<http://www.weather.gov/>

[http://www.westarenergy.com/corp_com/corpcomm.nsf/unid/ACE20EC6E4AA9D0086257B17006D284C/\\$file/021913%20winter%20storm%20coming.pdf](http://www.westarenergy.com/corp_com/corpcomm.nsf/unid/ACE20EC6E4AA9D0086257B17006D284C/$file/021913%20winter%20storm%20coming.pdf)

<http://ameren.mediaroom.com/index.php?s=43&item=1120>

<http://www.illinoisoutage.com/go/doc/1787/1707363/>

<http://viewoutage.entergy.com/ar.aspx>

Update: TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Restarts, Ramps Up to 19 Percent by February 21

Browns Ferry 3 is returning from an outage that began February 11, when the reactor was shut for maintenance on the condenser cooling water after groundwater from rain damaged the system. On the morning of February 20 the unit was not operating.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Feedwater Check Valves Fail Local Leak-Rate Testing at Southern's 870 MW Hatch Nuclear Unit 2 in Georgia

Southern Nuclear Operating Company reported that during local leak-rate testing (LLRT) of two 'A' feedwater check valves on its Hatch Unit 2, operators discovered that neither valve would pressurize, signaling a risk for leakage, according to a filing with the U.S. Nuclear Regulatory Commission. Unit 2 is currently shut for a refueling and maintenance outage. Operators will investigate the LLRT failures and perform any required corrective maintenance during the current refueling outage.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130221en.html>

Update: TMPA Restarts 453 MW Gibbons Creek Coal-Fired Unit 1 in Texas after Repairs to Fix Piping Leak February 20

The Texas Municipal Power Authority (TMPA) reported it restarted Gibbons Creek Unit 1 on Wednesday morning after repairing a hot re-heat piping leak, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179548>

Update: Luz Solar Partners' 175 MW Luz Solar Units 3-7 in California Return to Service by February 20

The units returned from an unplanned outage that began by February 19.

<http://content.caiso.com/unitstatus/data/unitstatus201302201515.html>

Kinder Morgan Joint Venture to Build 210,000 b/d Crude by Rail Project on Houston Ship Channel

Kinder Morgan Energy Partners, L.P. (KMP) today announced KW Express LLC, a partnership between KMP and Watco Companies LLC, has entered into a long-term agreement with Mercuria Energy Trading Company Inc. to construct a 210,000 b/d crude by rail project at the Greens Port Industrial Park on the Houston Ship Channel. The project will allow Mercuria Energy Trading, Inc. to source crude from various origination locations including Cushing, Oklahoma, West Texas, the Bakken shale area and western Canada for delivery by rail into the Houston Ship Channel for distribution to various refiners via pipeline and barges. The facility will have the capability to unload and load up to three unit trains per day of crude oil and condensate as well as provide for up to 100,000 b/d of barge loading capacity.

<http://phx.corporate-ir.net/phoenix.zhtml?c=119776&p=irol-newsArticle&ID=1787481>

Update: Sunoco Reports Schedule Delays on Its 150,000 b/d Permian Express Crude Oil Pipeline Project in Texas

Sunoco Logistics Partners LP on Thursday said it expects the first phase of its Permian Express crude oil pipeline project to be operational by the second quarter of 2013, a delay from its previous target of the first quarter. The project to reverse Sunoco's Worthamto-Wichita Falls pipeline and create continuous pipeline service from Wichita Falls, Texas to Nederland/Beaumont, Texas markets will have an initial capacity of approximately 90,000 b/d. The schedule for a second phase of the project, which will increase the pipeline's capacity to 150,000 b/d, has also slipped. Phase II had originally been scheduled for completion by the second half of 2013, and is now slated for completion by late 2013 or early 2014.

<http://www.reuters.com/article/2013/02/21/sunoco-pipeline-permian-idUSL1N0BL2CI20130221>

CHS to Connect Its Front Range Crude Oil Pipeline with Kinder Morgan's Express Pipeline in Montana to Access Additional Canadian Crude

CHS Inc. on February 13 announced it will build a 7-mile connection in central Montana to link its Front Range crude oil pipeline with the Kinder Morgan Express Pipeline, which originates in Hardisty, Alberta and transports 280,000 b/d from Canada to U.S. markets in Montana, Wyoming, Utah, and Colorado. Kinder Morgan-Canada and Front Range Pipeline, LLC, a wholly owned CHS subsidiary, will construct storage, pipeline, and other associated equipment needed to connect the Express Pipeline to the Front Range Pipeline near Buffalo, Montana. Once completed, this connection will allow access to an additional source and wider variety of Canadian crude oils for CHS's 59,600 b/d Laurel, Montana refinery. The connection to the Express Pipeline will not increase Laurel refining capacity. Pending permitting and other approvals, the project is expected to begin this summer with completion estimated for fall 2014.

<http://chsinc.mediaroom.com/2013-02-13-CHS-will-boost-crude-oil-access-with-Express-Pipeline-connection>

Process Glitch Causes Emissions at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery February 21

ExxonMobil Corp. reported a process glitch on Unit No. 5D6 at its Joliet refinery Thursday caused emissions of nitrous oxide and sulfur dioxide, according to a filing with the Illinois Emergency Management Agency. Reuters, 04:00 February 21, 2013

ExxonMobil Reports Unspecified Unit Startup at Its 344,500 b/d Beaumont, Texas Refinery February 21

ExxonMobil Corp. reported an unspecified unit startup at its Beaumont refinery, according to a message on a community information line. Reuters, 04:21 February 21, 2013

Level Indicator Malfunction Causes Flaring at Alon's 67,000 b/d Big Spring, Texas Refinery February 16

Alon USA Holdings reported that while starting up the PDA Unit after turnaround maintenance, a level indicator malfunction on the unit caused flaring due to hot valves on a compressor, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=179581>

Natural Gas

Two-Inch Natural Gas Pipeline Explodes, Levels Restaurant after Contractor Severs Line in Kansas City February 19

Missouri Gas Energy on Wednesday reported that a natural gas explosion in Kansas City Tuesday night erupted about an hour after a contractor installing cable nearby severed a natural gas line and caused a leak. The contractor had been drilling into the ground and hit a 2-inch pipeline near a restaurant that was leveled by the blast, which killed one person and injured 15 others. After the pipeline was struck, gas built up in and around the restaurant and was apparently ignited inside the building just as gas company crews were trying to repair the severed pipe outside, a Missouri Gas official said, adding that investigators had not yet identified the source of the ignition.

<https://www.missourigasenergy.com/MGE/companyInfo/news.jsp>

http://articles.chicagotribune.com/2013-02-20/news/sns-rt-us-usa-blast-kansascitybre91j030-20130219_1_blast-and-fire-natural-gas-explosion

Regency Reports AGI Unit Shutdown at Its 290 MMcf/d Waha Gas Plant in Texas February 20

Regency Energy Partners reported an acid gas injector (AGI) unit at its Waha plant shut down Wednesday morning on high fifth-stage scrubber liquid level, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=179590>

Southern Shuts Field Compressors for Unspecified Work at Its 140 MMcf/d Keystone Gas Plant in Texas February 20

Southern Union Gas Services reported it was flaring low-pressure inlet gas at its Keystone plant Wednesday morning after shutting down field compressors for unspecified work, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=179585>

Update: Transco to Abandon Four Failed Caverns, Reduce Capacity at Remaining Three Caverns at Its Eminence Natural Gas Storage Facility in Mississippi

The U.S. Federal Energy Regulatory Commission (FERC) on February 7 issued an order to Transcontinental Gas Pipe Line Company, LLC (Transco) approving its proposal to abandon four of seven caverns at the Eminence Salt Dome Storage Field in Covington County, Mississippi, and to amend the company's operating certificate to reduce the remaining three caverns' total storage capacity from 20.5 Bcf to 15.025 Bcf and storage deliverability from 1,500 MMcf/d to 1,200 MMcf/d. Transco asked for these changes after deterioration of storage caverns in 2010 caused a loss of gas pressure that forced Transco to vent and flare the escaped gas and fill several caverns with water. After the incident, Transco determined that Caverns 1, 2, 3, and 4 should not be used for long-term gas storage due to their age, history, and condition, including damage from salt creep.

http://www.downstreamtoday.com/news/article.aspx?a_id=38634

http://elibrary.ferc.gov/idmws/file_list.asp?document_id=14088712

Other News

Obama's \$50 Billion Infrastructure Plan Calls for Faster Federal Reviews and Permitting Timelines for Pipeline Construction Projects

<http://www.whitehouse.gov/the-press-office/2013/02/20/fact-sheet-president-s-plan-make-america-magnet-jobs-investing-infrastru>

http://business.financialpost.com/2013/02/21/obamas-50b-infrastructure-plan-calls-for-speedy-approval-of-pipelines/?_lsa=5894-c564

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
February 21, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	92.79	97.44	105.72
NATURAL GAS Henry Hub \$/Million Btu	3.34	3.29	2.67

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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