



ENERGY ASSURANCE DAILY

Wednesday Evening, March 09, 2016

Electricity

Update: Strong Thunderstorms Knock Out Power to Over 116,000 Customers across South March 8–9

Powerful thunderstorms producing high winds, with gusts of up to 70 mph, knocked out power to 116,758 customers across the South on Tuesday into Wednesday. As of 3:30 p.m. EST Wednesday, 29,911 customers remained without power. Oncor, the hardest hit utility with 44,254 customer outages, on Tuesday evening said it had restored power to over 31,000 affected customers. The table below shows total affected customers and the latest reported outages by utility. The “Affected” column shows the total count of customers who 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.

| South Customer Power Outages | | | |
|---|-------|----------------|-----------------|
| March 8–9, 2016 | | | |
| Electric Utility | State | Affected | Latest Reported |
| Entergy Arkansas | AR | 8,719 | 1,586 |
| SWEPCO | LA/TX | 10,738 | 7,010 |
| Entergy Louisiana | LA | 7,768 | 6,497 |
| Southwest Louisiana Electric Membership Corporation | LA | 1,548 | 1,548 |
| Central Louisiana Electric Company | LA | 1,269 | 1,250 |
| Entergy Mississippi | MS | 1,116 | 636 |
| MLGW | TN | 6,000 | 1,547 |
| Oncor | TX | 44,254 | 7,111 |
| CPS Energy | TX | 19,541 | 41 |
| AEP Texas | TX | 7,417 | 2,142 |
| Magic Valley Electric Cooperative | TX | 2,700 | 171 |
| Austin Energy | TX | 2,600 | 16 |
| CenterPoint Energy | TX | 1,999 | 334 |
| San Bernard Electric Cooperative | TX | 1,089 | 22 |
| TOTAL* | | 116,758 | 29,911 |

*Represent peak outages reported by utilities

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

Sources:

- <https://twitter.com/EntergyArk>
- <http://www.etrviewoutage.com/external/ar.aspx>
- <https://www.swepco.com/outages/outageMap.aspx>
- <https://www.slemco.com/site.php?pageID=350>
- <http://outage.cleco.com/external/default.html>
- <http://www.etrviewoutage.com/external/la.aspx? ga=1.31733566.1497457220.1456345079>
- <http://www.etrviewoutage.com/external/ms.aspx? ga=1.31733566.1497457220.1456345079>
- <http://azimuth.mlgw.org/OutageSummary.php>
- <http://www.fox13memphis.com/news/update-power-restored-for-thousands-in-memphis/151763514>
- <http://stormcenter.oncor.com/external/default.html>
- <https://twitter.com/oncor>
- http://outagemap.cpsenergy.com/CPSStaticMapsEXT/CPSStaticMapV2_EXT.html
- <https://www.facebook.com/CPSEnergy>
- <https://twitter.com/austinenergy>

<https://www.aeptexas.com/outages/outageMap.aspx>

<https://twitter.com/SWEPNews>

<https://twitter.com/magicvalleyEC>

<http://gis.centerpointenergy.com/outagetracker/>

<https://www.sbec.org/>

<http://www.kens5.com/story/news/local/2016/03/09/cps-nearly-20k-without-power-following-severe-storms/81517464/>

<http://valleycentral.com/news/local/thunderstorms-cut-power-to-6400-customers-in-hidalgo-county-and-starr-county>

<http://www.accuweather.com/en/us/arkansas/weather-radar>

NRG Energy's 830 MW Limestone Coal-fired Unit 1 in Texas Shut March 8

NRG Energy on Tuesday reported the boiler water chemistry in unit 1 began to deteriorate along with the loss of vacuum to support a 400 MW load. Conditions were unable to stabilize and the turbine tripped bringing the unit offline.

Reuters, 9:39 March 8, 2016

RRI Energy's 775 MW Ormond Beach Gas-fired Unit 2 in California Shut by March 8

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201603081515.html>

Calpine's 561 MW Los Medanos Gas-fired Unit in California Reduced by March 8

The unit entered an unplanned curtailment of 297 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201603081515.html>

Petroleum

Phillips 66 Shuts FCCU after Failed Restart at Its 238,000 b/d Linden, New Jersey Refinery March 9 – Source

Phillips 66 shut its 150,000 b/d fluid catalytic cracker unit (FCCU) on Wednesday morning after an attempt to restart the unit failed, according to a source familiar with the plant's operations. The FCCU experienced an issue with a valve and was initially forced to shut down overnight, the source said. The source was not aware of the new timetable to restart the unit. Earlier Wednesday, the company advised the community that flaring may occur as the FCCU restarts, according to a taped recording on the refinery's community hotline.

Reuters, 1:22 March 9, 2016

Chevron to Add Drilling Rigs to Texas Permian Shale in 2016

Chevron Corp said it will add two drilling rigs, to the five it currently runs, in the oil-rich Permian shale of West Texas in 2016. Chevron believes it can profitably drill 1,300 Permian wells with oil prices below \$40 per barrel and 4,000 profitable Permian wells with prices below \$50.

Reuters, 5:03 March 8, 2016

Portland-Montreal Pipe Line Shuts Its 236-Mile Pipeline from Maine to Quebec

Portland-Montreal Pipe Line shut its 75-year-old oil pipeline that carried foreign crude oil from the Port of Portland to refineries in Montreal. The amount of oil flowing through the pipeline has been dwindling for years and dropped to zero in January, according to state data, and a ship chandler in Portland says the pipeline had no tanker deliveries in February. The refineries in Quebec now get their oil from oil sands reserves in Alberta.

Reuters, 8:16 March 8, 2016

First U.S. Crude Oil Export Cargo Ships to China February 29

The first U.S. export of crude oil to China, some 500,000 barrels of Gulf Coast Sour Blend, left from the Sunoco Nederland terminal in Texas on February 29, according to ClipperData. The crude was loaded onto a Suezmax oil tanker and headed for Ningbo, in eastern China.

Reuters, 9:37 March 9, 2016

Puget Sound Energy Reports Natural Gas Explosion in Washington March 9

Puget Sound Energy (PSE) reported a natural gas explosion early Wednesday morning north of Seattle, Washington, injuring nine firefighters. Crews were responding to reports of a natural gas leak when the explosion happened, according to a Seattle Fire Department spokeswoman. Officials said that the fire was confirmed extinguished by around 10:30 a.m. PST after PSE crews drilled holes through pavement for nearly six hours in order to shut off six control valves. A PSE spokeswoman said gas service for the impacted buildings was turned off at 2:48 a.m. PST, and the gas shutdown was expanded to the block surrounding the damaged site. Additionally, the utility completed leak surveys for the block around the area and no leaks were found. PSE said it will work with the Seattle Fire Department to determine the cause of the explosion.

<https://www.facebook.com/pugetsoundenergy>

<http://fireline.seattle.gov/2016/03/09/greenwoodexplosion/>

https://twitter.com/PSETalk?ref_src=twsrc%5Etfw

<http://www.cnn.com/2016/03/09/us/seattle-explosion/index.html>

U.S. Natural Gas Production, Consumption Expected to Reach Record Highs in 2016 – EIA

U.S. natural gas production in 2016 was expected to reach a record high of 79.68 Bcf/d, down slightly from the 79.69 Bcf/d forecast last month, the Energy Information Administration (EIA) said on Tuesday. The forecast would top 2015's all-time peak production of 79.13 Bcf/d and would be the sixth consecutive annual record high for U.S. gas production, according to the EIA's Short Term Energy Outlook in March. The EIA also forecast U.S. gas consumption would increase to 76.79 Bcf/d in 2016 versus the 76.44 Bcf/d it forecast in February, due to increasing expectations of gas use by the electric power sector. For 2017, EIA forecast more record highs with production expected to rise to 81.36 Bcf/d and consumption growing to 77.31 Bcf/d.

<http://finance.yahoo.com/news/eia-sees-u-2016-natgas-180436764.html>

Other News

Coast Guard Removes Waterway Traffic Restrictions near Black Bayou Bridge in Lake Charles, Louisiana March 9

The Coast Guard said it removed restrictions for intra-coastal waterway traffic near the Black Bayou Bridge in Lake Charles, Louisiana. The waterway was restricted when a part of the bridge's fender system was struck by a tug that lost steering with three barges Monday night. Bridge fender systems serve as a navigation aid for passing vessels by delineating the shipping channel beneath bridges. Fender systems are designed to be able to withstand a multitude of bumps and scrapes from barge traffic, and to absorb kinetic energy while redirecting an errant barge or other vessel. Reuters, 3:22, March 9, 2016

International News

Nigeria Aims to End Refined Petroleum Imports within 18 Months

Nigeria wants to remove the need for imported petroleum products within 18 months, the Minister of State for Petroleum said on Tuesday. Nigeria's four refineries have never reached full production because of sabotage and poor maintenance, causing the country to rely on expensive imported fuel for most of its energy needs. Between \$250 and \$500 million would be invested in the country's refineries over the next 18 months to keep them going optimally, the minister said.

http://www.downstreamtoday.com/news/article.aspx?a_id=51350

Iran's Crude Oil Exports at 1.8 Million b/d – Oil Official

Iran's crude oil exports have reached 1.8 million b/d, the Shana news agency said on Wednesday, citing the National Iranian Oil Company's director. Reuters, 5:17 March 9, 2016

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| March 9, 2016 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 37.57 | 34.52 | 50.25 |
| NATURAL GAS Henry Hub \$/Million Btu | 1.55 | 1.57 | 2.88 |

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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