



ENERGY ASSURANCE DAILY

Friday Evening, March 11, 2016

Electricity

Update: 18,000 Customers Remain without Power in Northwest March 11 after Windstorm Knocks Out Power to Over 346,000 Customers March 9–10

Powerful winds knocked out power to at least 346,821 customers in Oregon, Washington, and British Columbia Wednesday night and into Thursday with impacts lingering on Friday. As of 3:30 p.m. EST Friday, 18,365 customers remained without power. Puget Sound Energy (PSE), the hardest hit utility with 145,000 customer outages, said all available crews were in the field, including service line crews, tree crews, and damage assessors. The utility said power was expected to be restored to customers in the Northern region late Friday. BC Hydro, which reported 135,000 customer outages, said crews would continue working throughout the day to have all service restored. 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.

Northwest Customer Power Outages			
March 9–11, 2016			
Electric Utility	State	Affected	Latest Reported
Pacific Power	OR	29,000	0
Puget Sound Energy	WA	145,000	6,242
Seattle City Light	WA	14,721	3
Snohomish PUD	WA	18,000	4,500
Gray’s Harbor PUD	WA	5,100	120
BC Hydro	British Columbia	135,000	7,500
TOTAL*		346,821	18,365

*Represent peak outages reported by utilities

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

Sources:

<https://www.pacificpower.net/ed/po/ooi.html>

<https://www.pacificpower.net/about/nr/nr2016/power-restored.html>

https://twitter.com/PacificPower_OR

<https://twitter.com/PSETalk>

<http://pse.com/accountsandservices/ServiceAlert/Pages/Outage-List.aspx?mode=list>

<http://www.seattle.gov/light/sysstat/>

<https://twitter.com/SnoPUD>

<http://outagemap.snopud.com/>

<https://www.ghpud.org/index.php/current-outages/305-east-hoquiam-humptulips-quinault-outages>

https://twitter.com/GHPUD?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Eauthor

<https://www.bchydro.com/power-outages/app/outage-list.html>

<https://twitter.com/bchydro>

<http://www.kiro7.com/news/high-winds-cut-power-to-thousands/154481327>

<http://globalnews.ca/news/2569283/thousands-without-power-on-bcs-south-coast-following-wind-storm/>

<http://www.cowichanvalleycitizen.com/news/371658951.html>

Strong Storms Knock Out Power to 35,000 Entergy Customers in Louisiana March 10–11

Strong storms producing heavy rain knocked out power to 35,000 Entergy customers in southeast Louisiana Thursday night into Friday. Severe flooding and road closures were hampering power restoration efforts in certain areas, the utility said. As of 3:30 p.m. EST Friday, 6,207 Entergy customers remained without power.

<https://twitter.com/EntergyLA>

<http://www.wvl.com/Thousands-without-power-due-to-storms/22557074>

Storms Knock Out Power to Over 11,000 PG&E Customers in California March 11

Storms producing wind, rain, and lightning knocked out power to 11,038 customers in northern California Friday afternoon. As of 3:30 p.m. EST Friday, 10,755 customers remained without power.

<https://m.pge.com/#outages>

<http://www.actionnewsnow.com/news/storms-cause-north-state-power-outages/>

FirstEnergy Reports Its 2,490 MW Mansfield Coal-Fired Power Plant in Pennsylvania Taken Offline Due to Low Energy Prices

FirstEnergy Corp. confirmed March 9 that three coal-fired generating units at its Bruce Mansfield plant in Beaver County were taken offline in February until further notice due to low energy prices. The utility reported that employees were continuing maintenance work at the plant while it remains offline.

<https://www.firstenergycorp.com/content/dam/corporate/generationmap/files/Bruce%20Mansfield%20Plant%20Fact%20s.pdf>

<http://www.bizjournals.com/pittsburgh/blog/energy/2016/03/beaver-countycoal-fired-plant-offline-temporarily.html>

FirstEnergy Expanding Leroy Center Substation to Enhance Reliability for Customers in Northeast Ohio

FirstEnergy Corp. is expanding a transmission substation in Leroy Center to help reinforce the electric system, support load growth, and enhance reliability in The Illuminating Company's northeast Ohio service area. The project includes installing circuit breakers and two massive electrical transformers, each weighing about 368 tons.

Specialized smart communications equipment also was installed at the substation to remotely monitor operations. A nearby 345 kV transmission line connecting the 1,260 MW Perry Nuclear Power Plant to a substation in Cleveland also will be connected to the substation in Leroy Center as part of this project to enhance resiliency and operational flexibility. The in-service date for the expanded substation is June 1, 2016.

https://www.firstenergycorp.com/newsroom/news_releases/firstenergy-expanding-substation-in-leroy-center-to-enhance-reli.html

Update: Oregon Governor Signs Bill into Law Eliminating Coal-fired Power by 2035

Governor Kate Brown on Friday signed into law a measure making Oregon the first state to eliminate coal from its energy supply by legislation, which will happen in phases through 2030. It also requires utilities to provide half of their customers' power from renewable sources by 2040, which doubles the previous standard.

Reuters, 15:16 March 11, 2016

Petroleum

Buckeye Reports Minor Pipeline Spill Due to Third Party Construction in New York March 10

Buckeye Partners LP said its Long Island Pipeline System experienced a spill of about 2 barrels of gasoline in Brooklyn, New York on Thursday. Buckeye said a third party excavator using power equipment damaged the pipeline, which is encased in concrete. The company said the spill was contained and not expected to materially impact pipeline service to John F. Kennedy airport.

Reuters, 9:26 March 11, 2016

Magellan Reports Gasoline Leak at Its Sioux City, Iowa Storage Terminal March 11

Magellan Midstream Partners on Friday reported a gasoline release at its Sioux City, Iowa storage and distribution terminal. Magellan said the product release occurred from an above ground pipeline within the terminal. The release was stopped and recovery and clean-up operations were underway. Magellan temporarily suspended truck loading operations at the Sioux City terminal but expected to resume truck loading operations later Friday.

Reuters, 12:33 March 11, 2016

Update: PBF Energy Plans to Restart Coker at Its 182,200 b/d Delaware City, Delaware Refinery March 25 – Source

PBF Energy plans to restart its 49,000 b/d coker at its Delaware City, Delaware refinery on March 25 after a two-month outage from the East Coast blizzard, according to a source familiar with the plant's operations. The coker was shut on January 23, along with the entire refinery, when a winter storm knocked out power to the facility. The refinery was restarted, with the exception of the coker, which underwent planned work that was advanced due to the unexpected outage.

Reuters, 13:17 March 10, 2016

Motiva Plans Crude Intake Increase, Hydrocracker Expansion at Its 603,000 b/d Port Arthur, Texas Refinery– Sources

Motiva Enterprises plans to boost crude oil intake and diesel production capacity at its Port Arthur, Texas refinery, according to sources. The refinery's capacity to process crude oil will grow between 50,000 and 75,000 b/d by 2020 while work to expand the plant's hydrocracking unit by 28 percent has been tentatively scheduled for September, the sources said. Most of the increase in crude oil refining capacity will come from improving the efficiency of the refinery's largest crude distillation unit, the 325,000 b/d VPS-5, according to the sources. Debottlenecking VP-5 will add 50,000 b/d of crude throughput and the additional 25,000 b/d will require upgrades to the unit. Debottlenecking could be done in March 2017 or March 2018 when Motiva is planning to shut coking units for planned overhauls, the sources said. Motiva has had plans for several years to expand the 82,000 b/d hydrocracking unit 2 to 105,000 b/d. The company filed permit requests for the expansion in 2014 with environmental regulators.

Reuters, 17:48 March 10, 2016

ExxonMobil's 344,500 b/d Beaumont, Texas Refinery Expansion Project on Hold – Sources

Exxon Mobil Corp has put on hold a possible project to double the size of the company's Beaumont, Texas refinery due to cuts in capital spending because of falling oil prices, said sources familiar with the company's plans. Since 2014, ExxonMobil has been considering the addition of a third crude distillation unit to increase the refinery's throughput capacity to 700,000 and 850,000 b/d by 2020.

Reuters, 18:05 March 10, 2016

Iowa Regulators Approves Permit for Energy Transfer's 500,000 b/d Dakota Access Pipeline from North Dakota to Illinois March 10

The Iowa Utilities Board on Thursday voted unanimously to approve a hazardous pipeline permit for Energy Transfer Partners' Dakota Access pipeline, which will stretch 346 miles from Bakken oil fields in North Dakota to Illinois. Energy Transfer Partners set a completion date for the pipeline in the fourth quarter of this year.

<https://iub.iowa.gov/crude-oil-pipeline>

<http://abcnews.go.com/US/wireStory/iowa-regulators-approve-bakken-pipeline-permit-37554182>

North Dakota Oil Production Down 30,000 b/d in January versus December to 1.12 Million b/d – State Regulator

Oil production in North Dakota fell 30,000 b/d to 1.12 million b/d in January, monthly data from the state Industrial Commission showed.

Reuters, 11:15 March 11, 2016

Natural Gas

Williams Partners Reaches Agreement with Shell, Nexen on Deepwater Gulf Project

Williams Partners L.P. announced today that it reached an agreement with Shell Offshore and Nexen Petroleum Offshore to provide deepwater gas gathering services to the Apptomattox development, located 80 miles offshore from the nearest shoreline in Louisiana in approximately 7,200 feet of water. Williams Partners will provide offshore gas gathering services to its existing Transco lateral, which will provide transmission services onshore to its Mobile Bay processing facility. Williams Partners also plans to make modifications to its Main Pass 261 Platform and install an alternate delivery route for customers from the platform to the existing Destin Pipeline.

<http://investor.williams.com/press-release/williams/williams-partners-shell-and-nexen-reach-agreement-deepwater-gulf-project>

Williams Partners to Begin Phase I Construction of Hillabee Expansion Project in Alabama by May 2016

Williams Partners L.P. expects to begin construction on its Hillabee Expansion Project in May, which the Federal Energy Regulatory Commission (FERC) recently approved. The project involves the expansion of Williams Partners' Transco pipeline system to serve the growing need for natural gas in Florida. The first phase of the project will provide incremental firm capacity from certain receipt points located at Transco's Station 85 in Choctaw County, Alabama to a proposed point of interconnection between Transco and the Sabal Trail pipeline in Tallapoosa County, Alabama by May 2017. The Hillabee Expansion is designed to add a total of approximately 1.13 Bcf/d of pipeline capacity to the Transco system by May 2021, adding approximately 43 miles of pipe segments in Alabama, a new compressor facility in Choctaw County, Alabama, as well as modifications to other existing compressor stations and valve sites.

<http://investor.williams.com/press-release/williams/williams-partners-begin-construction-hillabee-expansion-may-2016>

Other News

Nothing to report.

International News

Update: Turkey-Iraq's Kirkuk-Ceyhan Oil Pipeline Resumes Flows March 11 – Source

Oil pumping from Iraq's Kurdistan to the Turkish Mediterranean port of Ceyhan resumed on Friday after a three-week interruption following a military operation on the Turkish territory, an industry source told Reuters. The outage was caused by a deteriorating security situation in Turkey's southeast.

Reuters, 8:01 March 11, 2016

Energy Prices

U.S. Oil and Gas Prices			
March 11, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	38.46	35.86	48.01
NATURAL GAS Henry Hub \$/Million Btu	1.70	1.56	2.73

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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