



ENERGY ASSURANCE DAILY

Thursday Evening, March 15, 2012

Electricity

Update: About 4,000 NSTAR Customers Remain Without Power in Downtown Boston March 15

NSTAR reported Thursday morning that it has restored power to approximately 17,000 customers after 21,000 customers lost power Tuesday evening when a 115-kV transformer in the Back Bay neighborhood of Boston exploded and caught fire. According to the utility's website, NSTAR expects to complete restoration by sometime on Thursday. However, it warned that some customers may experience intermittent outages over the next few days as ongoing repairs are made to the system.

http://www.nstaronline.com/residential/back_bay_power_outage/backbay_outage_update.asp

<http://bostonglobe.com/metro/2012/03/15/about-still-without-power-back-bay-and-nstar-now-promising-restoration-will-complete-noon-today/xZfih6wQOjDVGbCEZYSJ/story.html>

Update: Three Steam Generator Tubes Fail Pressure Tests at SCE's 1,080 MW San Onofre Nuclear Unit 3 in California March 14

Southern California Edison reported that three steam generator tubes in Unit 3 at the San Onofre nuclear power plant failed a pressure stress test March 14. There are 19,454 steam generator tubes in Unit 3. SCE is in the process of conducting "in-situ" tests on 129 of those tubes, which show higher than normal wear. Operators shut Unit 3 on January 31 when sensors detected a steam generator leak. SCE notified the U.S. Nuclear Regulatory Commission about the test failures, and the agency said it is on site to assist and oversee the ongoing testing process. The NRC said also that it will send an Augmented Inspection Team to review the circumstances that led to the failure.

<http://www.edison.com/pressroom/pr.asp?id=7887>

<http://www.nrc.gov/reading-rm/doc-collections/news/2012/12-008.iv.pdf>

<http://pdf.reuters.com/htmlnews/8knews.asp?i=43059c3bf0e37541&u=urn:newsml:reuters.com:20120315:nBw146724a>

Petroleum

Update: Chevron Contains Majority of Oil Spill at Its 330,000 b/d Pascagoula, Mississippi Refinery March 13

Chevron Corp. said Wednesday that it had contained the majority of oil spilled from a pipeline leak at its Pascagoula refinery by the end of the day Tuesday. During an inspection Tuesday morning, Chevron discovered a leak had spilled 45 barrels of heavy oil into Bayou Casotte. The refinery shut down all valves and pipes going into the wharf area and followed standard procedures for containment and recovery. It is still determining the cause of the leak.

http://blog.gulflive.com/mississippi-press-news/2012/03/chevron_oil_spill_cleanup_ongo.html

Update: BP Says Ultracracker at Its 455,790 b/d Texas City, Texas Refinery Will Resume Normal Operations Beginning March 14

BP Plc. reported to the Texas Commission on Environmental Quality that the ultracracker at its Texas City, Texas refinery will resume normal operations from March 14 through March 17. BP previously reported that it was restarting the ultracracker on March 13. It is not clear when the unit was taken out of service.

Reuters, 12:28 March 14, 2012

ExxonMobil Reports Hydrotreater Valve Malfunction at Its 344,500 b/d Beaumont, Texas Refinery March 14

ExxonMobil reported a temporary valve malfunction in a hydrotreater at its Beaumont refinery led to flaring Wednesday, according to a filing with the Texas Commission on Environmental Quality. Operators repositioned the valve and the flaring stopped. The unit has returned to normal operations, and the refinery reported that it anticipates no impact to production.

Reuters, 18:04 March 14, 2012

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=166010>

Valero Reports SRU Upset at Its 142,000 b/d Corpus Christi, Texas Refinery March 14

Valero is currently investigating a brief sulfur recovery unit (SRU) upset at the east plant of its Corpus Christi, Texas refinery. However, it said there was no material impact to production.

Reuters, 18:20 March 14, 2012

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=166011>

Update: Magellan Midstream to Expand Crane-to-Houston Crude Oil Pipeline Capacity to 225,000 b/d

Magellan Midstream Partners, L.P. said March 15 that it plans to expand the capacity of its Crane-to-Houston crude oil pipeline from 135,000 b/d to 225,000 b/d due to a successful open season. Magellan announced in January that it had launched a binding open season to solicit capacity commitments from shippers to reverse the line and convert it to crude oil service running from Crane, Texas to its East Houston, Texas terminal by early 2013, with an initial pipeline capacity of 135,000 b/d. Magellan anticipates launching partial capacity by early 2013 and ramping up to full 225,000 b/d capacity by mid-2013.

<http://www.magellanlp.com/magellannews.aspx?id=2147483709>

High Prairie Pipeline Extends Open Season, Expands Project to Include Rail Loading and Storage Facilities, Backhaul Service, and Truck Receiving Stations

High Prairie Pipeline, a subsidiary of Saddle Butte Pipeline, LLC, is extending its open season through April 5, 2012 to give shippers additional time to contract for capacity on the 450-mile, 16-inch crude oil pipeline, which will begin near Alexander, North Dakota and end near Clearbrook, Minnesota. It anticipates beginning service in the fourth quarter of 2013. High Prairie also announced an expansion of the project's facilities to include distinct pipeline interconnects with Enbridge Pipelines, Inc. and Minnesota Pipeline Company, LLC at or near Clearbrook; the development of a third-party rail loading terminal near Clearbrook with initial capacity of 120,000 b/d to Eastern, Midwest, and Gulf Coast markets; the development of significant long-term storage facilities at or near Clearbrook; and the establishment of backhaul service for shippers, which would enable crude oil to flow east to west between established receipt and delivery points. In addition, crude oil truck receiving stations are being considered for Alexander, N.D., Johnsons Corner, N.D. and New Town, N.D. locations.

<http://www.pnewswire.com/news-releases/high-prairie-pipeline-extends-open-season-and-expands-project-facilities-to-accommodate-shipper-response-142700795.html>

Plains Pipeline Begins Open Season for Proposed 50,000 b/d Baker-to-Billings Crude Oil Pipeline

Plains Pipeline, L.P. has begun an open season on a proposed pipeline, which would originate at Plains' Baker, Montana station and provide an initial capacity of at least 50,000 b/d of light sweet crude oil to Billings, Montana. From the Billings station, shippers will have the option to transport volumes on Plains' jointly owned Beartooth/Bighorn system, which provides service to Casper and Guernsey/Ft. Laramie, Wyoming. Further, shippers will have the option to transport volumes from Casper to the Salt Lake City market via Plains' jointly owned Frontier and Wahsatch pipelines.

<http://ir.paalp.com/profiles/investor/ResLibraryView.asp?ResLibraryID=52477&BzID=789&t=1309&g=549&Nav=0&LangID=1&s=0>

Update: Parnon Gathering Begins Construction on 20,000 b/d Great Salt Plains Crude Oil Pipeline in Oklahoma

Parnon Gathering, Inc. said March 14 that it began construction on the Great Salt Plains pipeline in Oklahoma in early March and is scheduled to complete the project in July. The 8-inch pipeline will be able to move 20,000 b/d of crude oil from Cherokee to Cushing, Oklahoma, with the capability of increasing the rate to 35,000 b/d.

<http://www.pnewswire.com/news-releases/construction-begins-on-parnons-great-salt-plains-pipeline-142754165.html>

Natural Gas

Nothing to report

Other News

Nothing to report

International News

Statoil Evacuates 25,000 boe/d Statfjord C Platform in North Sea Following Hydrogen Sulfide Leak March 15

Statoil evacuated all 236 crewmembers and shut oil and gas output at its Statfjord C platform in the North Sea Thursday after a leak of hydrogen sulfide was reported. Although the alarm has been turned off, production remains shut down. The normal daily output at the platform is 25,000 barrels of oil equivalent (boe/d).

<http://af.reuters.com/article/energyOilNews/idAFL5E8EF29P20120315>

<http://www.reuters.com/article/2012/03/15/statoil->

[idUSO9E7JV02620120315?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43](http://www.reuters.com/article/2012/03/15/statoil-)

<http://www.foxbusiness.com/news/2012/03/15/statoil-closes-statfjord-c-platform-due-to-gas-leak-alarm/>

Energy Prices

U.S. Oil and Gas Prices			
March 15, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	105.78	106.74	100.95
NATURAL GAS Henry Hub \$/Million Btu	2.13	2.24	3.86

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 EDT every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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

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