



ENERGY ASSURANCE DAILY

Monday Evening, March 25, 2013

Electricity

Severe Storms Cut Power to 66,000 Utility Customers in Central Florida March 24

Severe storms packing straight-line winds cut power to 66,000 utility customers in Central Florida Sunday night, including approximately 20,000 Progress Energy customers, 39,000 Orlando Utilities Commission (OUC) customers, and 7,000 Florida Power & Light customers. As of 4:00 p.m. EST today, 1,870 customers remained without power, including 607 Progress Energy customers and 1,263 OUC customers. The OUC reported that it had restored about 95 percent of its affected customers by Monday morning, and that it was working to restore the remaining, isolated customers.

<http://www.fplmaps.com/>

<http://gis.ouc.com/outagemap/>

<https://www.progress-energy.com/app/outagemaps/florida.aspx>

<http://www.ouc.com/en/news.aspx?newsId=f676cf8b-d1c6-4e74-a80c-22620a737b8c>

<http://www.wesh.com/Thousands-without-power-after-storms-slam-Central-Fla.html>

<http://www.floridatoday.com/article/20130325/NEWS01/303250004/Violent-damaging-storms-rip-across-Brevard>

New York ISO Identifies Power System Reliability Risks and Solutions Through 2022

The New York Independent System Operator (NYISO) on Friday announced it has approved the 2012 *Comprehensive Reliability Plan* (CRP) for New York's power system, which concludes that additional transmission and generation resources will be needed during the study period (2013–2022) to meet system reliability criteria and that sufficient solutions have been proposed to meet those reliability needs. In September, the NYISO issued the 2012 *Reliability Needs Assessment* (RNA) identifying transmission security violations that could manifest as soon as 2013, and resource adequacy violations that could occur by 2020. To address these needs, the NYISO requested market-based, regulated backstop and alternative regulated solutions. The CRP details proposals to meet the reliability needs identified in the 2012 RNA.

[http://www.nyiso.com/public/webdocs/media_room/press_releases/2013/NYISO%20-](http://www.nyiso.com/public/webdocs/media_room/press_releases/2013/NYISO%20-%20NYISO%20Approves%20Comprehensive%20Reliability%20Plan%20-%202003_22_13%20-%20FINAL.pdf)

[%20NYISO%20Approves%20Comprehensive%20Reliability%20Plan%20-%202003_22_13%20-%20FINAL.pdf](http://www.nyiso.com/public/webdocs/media_room/press_releases/2013/NYISO%20-%20NYISO%20Approves%20Comprehensive%20Reliability%20Plan%20-%202003_22_13%20-%20FINAL.pdf)

SCE&G Shuts 966 MW Summer Nuclear Unit in South Carolina March 22 to Repair Reactor Coolant Pump Seal; Lightning Strike Activates Emergency Generator March 24

South Carolina Electric & Gas Company (SCE&G) reported it was taking Summer Unit 1 offline March 22 to begin a planned mid-cycle maintenance outage to replace to a reactor coolant pump seal that hasn't been performing as desired. Operators said that although the backup seal parameters were acceptable, they were making a conservative decision to shut the unit down and fully examine the issue. Operators later reported that a lightning strike early Sunday morning caused a voltage disturbance on the 115-kV offsite power source at Summer Unit 1, and resulted in the automatic start of the 'A' emergency diesel generator on an under-voltage relay actuation, according to a filing with the U.S. Nuclear Regulatory Commission. The voltage disturbance also caused the 'A' safety related chiller and some ventilation fans to trip. These loads were subsequently restarted with no issue. The 'A' emergency diesel generator was secured and made ready for auto-start within about 22 minutes of the initial disturbance.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130325en.html>

[http://www.sceg.com/NR/rdonlyres/B1746244-D1F3-47FB-8BD4-](http://www.sceg.com/NR/rdonlyres/B1746244-D1F3-47FB-8BD4-E62470664573/0/03212013SCGNuclearStationStartsMidCycleOutage.pdf)

[E62470664573/0/03212013SCGNuclearStationStartsMidCycleOutage.pdf](http://www.sceg.com/NR/rdonlyres/B1746244-D1F3-47FB-8BD4-E62470664573/0/03212013SCGNuclearStationStartsMidCycleOutage.pdf)

Exelon's 1,134 MW Limerick Nuclear Unit 2 in Pennsylvania Shut by March 25

On the morning of March 24 the unit was operating at 97 percent.

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

Entergy Reports Degraded Flood Seals in Switchgear Rooms at Its 563 MW Vermont Yankee Nuclear Unit 1 in Vermont March 24

Entergy Nuclear reported that on Saturday night, operators at its Vermont Yankee nuclear power plant identified a displaced conduit flood seal between an outside manhole and the switchgear rooms, according to a filing with the U.S. Nuclear Regulatory Commission. This degraded flood seal compromises the flooding design of both the East and West Switchgear Rooms. Repairs were in progress at the time of the filing. The Vermont Yankee nuclear unit is currently offline for a planned refueling outage.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130325en.html>

Update: Exelon's 1,131 MW Byron Nuclear Unit 2 in Illinois Restarts by March 22 after Repairs to Cooling Pump Motor, Returns to Full Power March 23

Exelon Corp. reported that Byron Unit 2 returned to full power Saturday afternoon following repairs to a motor associated with the main generator cooling pump. Operators manually tripped the unit on March 20 after detecting the pump malfunction, and restarted the unit by March 22. The generator, pump, and motor are located on the non-nuclear side of the plant.

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

http://www.exeloncorp.com/Newsroom/pr_20130325_nuclear_byron2rts.aspx

Electrostatic Precipitator Malfunction Causes Emissions at Luminant's 793 MW Monticello Coal-Fired Unit 3 in Texas March 23

Luminant reported that an electrostatic precipitator A-16 transformer rectifier set on Monticello Unit 3 tripped Saturday night, causing a brief episode of opacity, 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=180780>

Inland Empire Energy Center's 366 MW Inland Empire Natural Gas-Fired Unit 2 in California Shut by March 24

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201303241515.html>

Calpine's 135 MW Calpine American Cogeneration Natural Gas-Fired Unit in California Shut by March 24

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201303241515.html>

Petroleum

Shell Shuts 170,000 b/d Caillou-to-Houma Crude Oil Pipeline after Detecting a Leak in Terrebonne Bay, Louisiana March 23

Shell Pipeline Co. reported it shut a 16-inch, 170,000 b/d crude oil pipeline that carries Gulf of Mexico crude to Houma, Louisiana after detecting a leak in Terrebonne Bay, Louisiana. Operators shut the line at about 5:00 p.m. local time Saturday after a light oil sheen was observed near a pump station. An initial investigation indicated less than a gallon of crude had leaked. The cause of the leak was unknown, and operators had not yet determined how much oil spilled from the pipeline. The pipeline starts on Caillou Island and connects with a 20-inch pipeline that brings crude from producers in Eugene Island, Ship Shoal, Green Canyon, and other Gulf formations to Caillou Island.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1041940

<http://www.bloomberg.com/news/2013-03-25/shell-shuts-u-s-gulf-crude-pipeline-after-leak-in-louisiana.html>

Kinder Morgan Restarts 8-Inch Products Pipeline in San Francisco Area after Shutting It for Repairs to Correct a Valve Failure March 22

Kinder Morgan Energy Partners LP shut an 8-inch product pipeline from a refinery to the company's Concord site in the San Francisco area for several hours beginning at 3:40 a.m. local time Saturday, when an automatic valve failed to sync, over-pressurizing the line. The company said it restarted the pipeline three hours later.

<http://www.bloomberg.com/news/2013-03-22/california-gasoline-strengthens-on-rollover-pipeline-shutdown.html?cmpid=yahoo>

Update: FERC Rejects Rate Structure for Enbridge's Proposed 225,000 b/d Sandpiper Pipeline Project to Expand Bakken Takeaway Capacity to Wisconsin and Minnesota

The U.S. Federal Energy Regulatory Commission (FERC) on Friday rejected the tolling structure proposed for Enbridge's Sandpiper pipeline project, which would expand Bakken takeaway capacity on Enbridge's North Dakota feeder system by 225,000 b/d to a total of 580,000 b/d and transport the oil to Wisconsin and Minnesota. The company had sought to recover the costs of the expanded pipeline by adding a \$1.45/barrel surcharge to existing rates, but the commission said existing regulations don't support the proposed rate structure. An Enbridge spokesman said Monday that the company will submit a revised plan to the commission for review, and that Friday's decision shouldn't impact the company's target in-service date in early 2016. The Sandpiper expansion project will involve construction of an approximately 600-mile, 24-inch pipeline from Beaver Lodge, North Dakota to the Superior, Wisconsin mainline system terminal. The new line will twin the 210,000 b/d North Dakota System mainline, which now terminates at Clearbrook Terminal in Minnesota, adding 225,000 b/d of capacity on the twin line between Beaver Lodge and Clearbrook, and 375,000 b/d of capacity between Clearbrook and Superior.

Reuters, 16:52 March 22, 2013

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13212289>

Update: FERC Dismisses High Prairie Complaint That Enbridge Has Forced It to Postpone Its Proposed 150,000 b/d Pipeline Project in North Dakota

The U.S. Federal Energy Regulatory Commission (FERC) on Friday dismissed a case brought by High Prairie Pipeline, a subsidiary of Saddle Butte Pipeline LLC, which said that its proposed 450-mile, 16-inch crude oil pipeline project could be scrapped because Enbridge Energy Partners LP had allegedly refused to allow a connection to its terminal at Clearbrook, Minnesota. High Prairie in June 2012 filed a formal complaint with FERC to force Enbridge to take its North Dakota crude deliveries. Enbridge has denied the allegations. The commission concluded that it was premature to act on the High Prairie complaint because the two companies were still negotiating over the terminal connection. A High Prairie executive said Monday that the company is still reviewing what's next for the proposed pipeline.

<http://www.startribune.com/business/199590901.html?page=all&prepage=1&c=y#continue>

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13212278>

PBF Reports Crude Unit Upset at Its 180,000 b/d Paulsboro, New Jersey Refinery March 25

PBF Energy Inc. on Monday reported a crude unit upset at its Paulsboro refinery, according to a filing with state pollution regulators.

Reuters, 09:40 March 25, 2013

Compressor Malfunction Causes Sulfur Dioxide Emissions at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery March 22

ExxonMobil Corp. reported a compressor at its Joliet refinery failed on Friday, causing emissions of sulfur dioxide, according to a filing with the Illinois Emergency Management Agency, which did not indicate on which unit the malfunctioning compressor was located.

Reuters, 16:50 March 24, 2013

Unspecified Unit Restart Causes Nitrogen Oxide Emissions at Chevron's 330,000 b/d Pascagoula, Mississippi Refinery March 25

Chevron Corp. reported its work to restart an unspecified unit at its Pascagoula refinery were causing the ongoing release of nitrogen oxide on Saturday, according to a filing with the U.S. National Response Center. The filing does not specify which unit operators were planning to restart, but energy industry intelligence service Genscape on Thursday said that the refinery was preparing to restart a coking unit after a planned overhaul.

Reuters, 17:14 March 24, 2013

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1041936

Unit Malfunction Causes SRU Emissions at Total's 232,000 b/d Port Arthur, Texas Refinery March 22

Total Petrochemicals Inc. reported a malfunction on Unit No. 833 at its Port Arthur refinery Friday afternoon resulted in elevated emissions from "Area 5," Unit 833, sulfur recovery unit (SRU) No.1, and the No. 3 tail gas thermal oxidizer, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=180762>

Valero Reports Flaring Due to Work on Propane Valve at Its 135,000 b/d Wilmington, California Refinery March 25

Valero Energy Corp. on Monday reported flaring at its Wilmington refinery was related to work on a propane valve. Operators had reported planned flaring at the refinery earlier on Sunday.
Reuters, 10:31 March 25, 2013

Natural Gas

Williams Co. Shuts 120 MMcf/d Natural Gas Pipeline after It Ruptures in West Virginia March 22; Repairs to Begin This Week

Williams Cos Inc. said late Friday that repairs could begin as early as this week on a 24-inch natural gas gathering pipeline that ruptured in rural Marshall County, West Virginia earlier Friday. Operators were onsite to determine why the pipe failed. The pipeline is part of a gathering system that serves the company's Fort Beeler, West Virginia gas processing plant. The rupture temporarily affects service in a 7-mile section of the system, which typically carries 100–120 MMcf/d. The rupture vented natural gas with no ignition or fire. Local emergency personnel evacuated nearby residents as a precaution for about two hours.
Reuters, 11:49 March 25, 2013

Cheniere and Centrica Sign 20-Year LNG Contract for LNG Exports from Sabine Pass in Louisiana

Cheniere Energy Partners, L.P. announced today that its subsidiary, Sabine Pass Liquefaction, LLC, has entered into a liquefied natural gas (LNG) sale and purchase agreement (SPA) with Centrica Plc, under which Centrica has agreed to purchase approximately 1.75 million metric tonnes per annum (mtpa) of LNG upon the commencement of Train 5 operations. The Centrica SPA, together with the previously announced SPA with Total Gas & Power North America, Inc., brings the total contracted volume to commence with Train 5 operations to 3.75 mtpa. Sabine Liquefaction now has commercial contracts for five trains. Sabine Liquefaction is currently developing six liquefaction trains, each with expected nominal capacity of approximately 4.5 mtpa, adjacent to the Sabine Pass LNG terminal. Sabine Liquefaction has commenced construction of the first two trains and expects to commence construction of the third and fourth trains in the first half of 2013. The permitting process and preliminary engineering have been initiated for the fifth and sixth trains.

<http://phx.corporate-ir.net/phoenix.zhtml?c=207560&p=irol-newsArticle&ID=1799777>

Other News

Update: Valero Restarts 110 MMGal/Year Linden, Indiana Ethanol Plant, Citing Improved Margins; All Previously Idled Plants Now Online

Valero Energy Corp. reported it has resumed production at its 110 MMGal/Year Linden ethanol plant, the last of several plants that the company idled in 2012 due to poor margins. Operators began the process of restarting the plant on Thursday, according to a spokesman, who said margins have improved enough to allow the company to restart the plant. Operations resumed at Valero's 110 MMGal/Year Bloomingburg, Ohio ethanol plant in early March, and at its 110 MMGal/Year Albion, Nebraska plant last month. With the restart of the Linden plant, all 10 of Valero's U.S. ethanol facilities are online.
Reuters, 17:27 March 22, 2013

ADM Plans Water Wells to Help Illinois Ethanol Production

Archer Daniels Midland Co. (ADM) on Friday said it is preparing to break ground on two new water collector wells to better ensure water supply reaches its Decatur, Illinois corn-processing plant during drought conditions, and to allow the company to continue operating its ethanol production facilities during such periods. Numerous U.S. ethanol plants were idled due to poor margins during last year's devastating drought, which crippled Midwestern crop fields and piqued the industry's concerns over maintaining steady water supplies. ADM's Decatur corn wet mill plant houses one of ADM's eight U.S. ethanol production facilities, which together have the capacity to produce 1.72 million gallons of ethanol a year. The new 40-foot collector wells will tap into a glacial aquifer located beneath Lake Decatur and could pull as much as 7 million gallons of water per day to the company's North Water Treatment Plant, which typically draws more than 14 million gallons a day from Lake Decatur, according to city officials.

<http://www.reuters.com/article/2013/03/22/usa-drought-adm-idUSL1N0CDH8O20130322?feedType=RSS&feedName=marketsNews>

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
March 25, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	93.79	93.38	106.80
NATURAL GAS Henry Hub \$/Million Btu	4.01	3.91	2.19

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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