



ENERGY ASSURANCE DAILY

Tuesday Evening, May 28, 2013

Electricity

JCP&L Completes Several Projects Prior to Summer to Enhance Service Reliability

Jersey Central Power & Light (JCP&L) has completed projects throughout its northern and central New Jersey service areas that are expected to enhance customer service reliability. The work included rebuilding transmission lines, upgrading substation equipment, and rebuilding infrastructure and reconnecting service to homes on the barrier islands that were damaged during Hurricane Sandy. The JCP&L projects include:

- Energizing the rebuilt 230-kV Whippany-Roseland transmission line.
- Reconnecting service to almost 30,000 customers in Monmouth and Ocean counties as repairs were completed on homes damaged by Hurricane Sandy. JCP&L will continue working with the remaining 1,900 customers who are still making home repairs.
- Rebuilding a 34.5-kV transmission line in Sussex County.

https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/jcp-l-completes-numerous-projects-prior-to-summer-season-to-enha.html

Intake Barrier at Entergy's Waterford Nuclear Unit 3 in Louisiana Struck by Oil Tanker May 24; Unit Operations Unaffected by Event

Entergy Nuclear reported that on Friday afternoon, the Waterford 3 control room was informed that a crude oil tanker had struck the dolphins at the cooling water intake structure on the Mississippi River, according to a filing with the U.S. Nuclear Regulatory Commission. Four of five dolphins were damaged, and three sustained substantial damage. The dolphins are hard structures anchored around the cooling water intake structure that provide protection from river traffic. Waterford 3 operations were unaffected by this event and the unit remains at 100 percent power. The intake structure, including the Circulating Water System, was unaffected by this event. Possible near-term effects of the event are a loss of protective barrier between river traffic and the intake structure due to the physical damage to the dolphins and hazards to navigation due to the loss of the dolphin lights.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130528en.html>

FirstEnergy's 831 MW Beaver Valley Nuclear Unit 2 in Pennsylvania Shut to Address Generator Vibrations May 28

FirstEnergy shut the unit early today for maintenance on the main generator and reactor coolant pump, according to a company spokeswoman. The work is intended to ensure the plant is in optimal condition to perform reliably during the hot summer months. A spokesman for the U.S. Nuclear Regulatory Commission said the unit was taken offline to "address main generator vibrations." On the morning of May 27 the unit was operating at full power.

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

<http://www.businessweek.com/news/2013-05-28/u-dot-s-dot-nuclear-generation-declines-on-pennsylvania-reactor-closing>

Update: Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania Ramped Up to 98 Percent by May 26

On the morning of May 25 the unit was operating at 88 percent.

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

Update: Duke Energy's 1,129 MW Catawba Nuclear Unit 2 in South Carolina at Full Power by May 27

On the morning of May 26 the unit was operating at 64 percent.

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

AEP Restarts Its 558 MW Welsh Coal-Fired Unit 2 in Texas after Unspecified Unit Trip May 26

American Electric Power (AEP) reported it was restarting Welsh Unit 2 Sunday evening following an unspecified unit trip, 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=183245>

Calpine's 751 MW Pastoria Natural Gas-Fired Unit in California Returns to Service by May 26

The unit returned from an unplanned curtailment of 273 MW that began by May 25.

<http://content.caiso.com/unitstatus/data/unitstatus201305261515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201305251515.html>

Dynegy's 335 MW El Segundo Natural Gas-Fired Unit 4 in California Shut by May 27

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201305271515.html>

Dynegy's 325 MW Morro Bay Natural Gas-Fired Unit 4 in California Shut by May 24

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201305241515.html>

Update: Ace's 118 MW Ace Cogeneration Coal-fired Unit in California Returns to Service by May 27

The unit returned from an unplanned outage that began by April 26.

<http://content.caiso.com/unitstatus/data/unitstatus201305271515.html>

Petroleum

EIA Cites Planned and Unplanned Refinery Outages as Gasoline Prices Spike in Midwest

The U.S. Energy Information Administration (EIA) reported that sharp increases in Midwest gasoline prices this month were largely due to planned and unplanned refinery maintenance in the region that "significantly depleted" gasoline inventories. Refinery utilization in the Midwest region fell under 80 percent in the week ending May 10, down from 94 percent a year earlier. AAA's Daily Fuel Gauge Report showed that prices hit a record \$4.27 a gallon in Minnesota on May 20, up 80 cents in less than a month. In North Dakota, gasoline prices set a record of \$4.24 on Wednesday, up 64 cents in less than a month. The EIA noted that planned maintenance efforts at ExxonMobil's Joliet, Illinois refinery and Marathon's Catlettsburg, Kentucky refinery reduced runs by 470,000 b/d, and unplanned outages, including those at HollyFrontier's El Dorado, Kansas refinery and Flint Hills' Saint Paul, Minnesota refinery compounded the problem. Longer-term projects already underway also magnified the impact. BP Plc has kept 260,000 b/d of capacity offline at its Whiting, Indiana refinery since November to install new coking capacity and boost its ability to process heavy crude oil.

http://www.washingtonpost.com/business/economy/gasoline-prices-spike-in-midwest/2013/05/27/b6b0fda6-c4b9-11e2-8c3b-0b5e9247e8ca_story.html?hpid=z9

http://www.eia.gov/pub/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/historical/2013/2013_05_15/pdf/wpsrall.pdf

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

<http://fuelgaugereport.aaa.com/>

Northern Tier Says All Units at Its 74,000 b/d Saint Paul, Minnesota Refinery Operating at Planned Rates by May 27 after Power Dip May 24

Northern Tier Energy LP said all units at its Saint Paul refinery were operating at planned rates Monday after a power dip hit the facility Friday.

Reuters, 09:26 May 28, 2013

Valero Says Its 199,500 b/d Texas City, Texas Refinery Operating at Planned Rates after Power Outage Leads to Flaring May 26

Valero Energy Corp. reported no material impact on production at its Texas City refinery after a power outage on Sunday morning led to flaring, according to a spokesman. Operators had reported the outage in a filing with the Texas Commission on Environmental Quality, which said emissions from several flares continued for about 4 hours Sunday.

Reuters, 09:39 May 28, 2013

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=183241>

Delek Reports FCCU, Boiler Emissions at Its 60,000 b/d Tyler, Texas Refinery May 25

Delek US Holdings reported emissions from the fluid catalytic cracking unit (FCCU) and boiler No. 9 at its Tyler, Texas refinery Saturday morning following maintenance on a electrostatic precipitator emissions control device, 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=183231>

BP Reports Diesel Unit Malfunction at Its 225,000 b/d Cherry Point, Washington Refinery May 25

BP Plc reported a diesel unit malfunction at its Cherry Point refinery Saturday triggered flaring and the release of sulfur dioxide, according to a filing with the U.S. National Response Center. Operators were investigating the cause of the upset at the time of the filing.

Reuters, 11:50 May 27, 2013

Update: ExxonMobil Waiting for Test Results Before Suggesting Restart Plan for Its 90,000 b/d Pegasus Crude Oil Pipeline

ExxonMobil Corp. on Friday reported it was still waiting for metallurgic test results from the damaged section of its 90,000 b/d Pegasus crude oil pipeline, which has been shut since March 29, when it ruptured and spilled 5,000 barrels of oil in Mayflower, Arkansas. The pipeline delivers crude oil to Gulf Coast refineries from Patoka, Illinois. A spokesman said it would be premature to speculate on future plans for the pipeline until the investigation into the cause of the incident is completed. Politicians in Arkansas have asked ExxonMobil to relocate a 13.5-mile section of the line that runs through the Lake Maumelle watershed, the main source of drinking water for Little Rock, within the next 3–5 years. The U.S. Pipeline and Hazardous Materials Safety Administration requires ExxonMobil to submit a restart plan for approval before restarting the line.

<http://www.reuters.com/article/2013/05/24/exxon-pegasus-idUSL2N0E51P820130524?feedType=RSS&feedName=marketsNews&rpc=43>
http://arkansasmatters.com/fulltext/?nxd_id=666332

Update: Kinder Morgan Files with Regulators for Its Proposed 590,000 b/d Expansion of Trans Mountain Pipeline in Western Canada

Trans Mount Pipeline ULC, a subsidiary of Kinder Morgan Energy Partners, LP, on May 23 filed a project description with the National Energy Board (NEB) for its proposed expansion of the Trans Mountain Pipeline system. In spring 2012, Kinder Morgan Canada announced it would expand its existing 300,000 b/d Trans Mountain Pipeline by twinning part of the line between Edmonton, Alberta and Burnaby, British Columbia. Following recently completed open seasons, Kinder Morgan announced it would propose nearly tripling the current capacity on the line to reach 890,000 b/d. The company intends to file its full application for the project with the NEB later this year. Pending regulatory approvals, the project would be operational in 2017.

<https://www.neb-one.gc.ca/ll-eng/livlink.exe?func=ll&objId=956916&objAction=browse>
<http://www.ctvnews.ca/kinder-morgan-takes-next-step-in-trans-mountain-oil-pipeline-expansion-plan-1.1295664>

Natural Gas

Unit Shutdown Causes Flaring at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas

Southern Union Gas Services reported it was flaring inlet gas at its Keystone plant Sunday morning after Unit 20 went down on high first-stage scrubber level, 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=183239>

‘Grid Instability’ Cuts Power to Enbridge’s Tilden Gas Plant in Texas May 25; Operators Report Numerous AGI Unit Shutdowns May 24–26

Enbridge reported its Tilden plant lost purchase power Saturday morning due to “instability with the area’s electric grid,” causing the plant to shut down, according to a filing with the Texas Commission on Environmental Quality. Emissions related to the outage continued for about 5 hours that day. The plant also reported numerous acid gas injector (AGI) unit outages at its Tilden plant over the weekend. On Friday, AGI-1 went down due to a short in the high level switch transmitter, and then again later on compressor motor fault. Operators curtailed natural gas to reduce flaring. On Saturday, AGI-1 went down due to loose wiring, and then again later on a compressor motor fault. AGI-2 went down on a blown fuse to the main power supply panel, which caused the unit to shut again on Sunday. AGI-1 went down again on a compressor motor fault Sunday.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=183227>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=183229>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=183235>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=183236>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=183240>

Update: Commissioners Approve OKEOK’s Proposed 100 MMcf/d Garden Creek III Natural Gas Processing Plant in Western North Dakota

The North Dakota Public Service Commission (PSC) on May 22 approved a certificate of site compatibility allowing ONEOK Partners, L.P. to move forward with construction of its proposed 100 MMcf/d Garden Creek III plant in northwestern North Dakota. The processing plant would be located on the site where an identical plant, Garden Creek II, is already under construction. The partnership opened the 100 MMcf/d Garden Creek I plant in January 2012. The second plant is scheduled for completion in 2014, and Garden Creek III is scheduled for completion in 2015.

http://www.downstreamtoday.com/news/article.aspx?a_id=39617

Other News

Iranian-Backed Hackers Increasing Cyberattacks Against U.S. Energy Industry – Sources

Iranian-backed hackers have escalated cyberattacks against U.S. corporations, including energy companies, according to current and former U.S. officials. In the latest operations, hackers were able to gain access to control-system software running the operations of critical infrastructure, regulating the flow of oil and gas or electricity, turning systems on and off, and controlling key functions. The officials wouldn’t name the energy companies involved in the attacks, but did say the targets were companies along the Canadian border.

<http://www.hydrocarbonprocessing.com/Article/3210600/Latest-News/Iran-launches-cyberattacks-on-US-energy-industry.html>

DOI Signs Agreement with Pacific Northwest States to Expedite Review, Permitting of Energy Infrastructure Projects

The U.S. Department of the Interior (DOI) on Friday signed a Declaration of Cooperation with the States of Oregon and Washington to expedite the review and permitting of energy generation, power transmission, and other infrastructure development in the Pacific Northwest. The agreement formally establishes a pilot Pacific Northwest Regional Infrastructure Team to more efficiently coordinate the permitting processes for infrastructure projects where both State and Federal agencies have review responsibilities. This team will use a cross-agency and cross-jurisdictional strategy to identify siting conflicts and mitigation early in the development and permitting process.

<http://www.interior.gov/news/pressreleases/secretary-jewell-signs-agreement-with-pacific-northwest-states-to-expedite-review-permitting-of-energy-infrastructure.cfm>

Thieves Steal \$40,000 Worth of Copper Wire from Dominion Virginia Power Facility in Southeast Virginia by May 6

<http://www.wvec.com/news/Thief-steals-40000-worth-of-copper-wire-208553151.html>

International News

Sudan Threatens to Close Oil Pipeline Transporting Exports from S. Sudan after Rebels Stir Violence

Sudanese President Omar Hassan al-Bashir on Monday said his government will close a pipeline carrying oil exports from South Sudan if Juba continues to support rebels operating on Sudanese soil. Bashir spoke after the army said it had seized back the town of Abu Kershola from the Sudanese Revolutionary Front (SRF), a group of rebels that wants to overthrow Bashir. South Sudan reiterated it did not support the SRF.

<http://www.reuters.com/article/2013/05/27/us-sudan-south-oil-idUSBRE94Q0IL20130527>

<http://www.aljazeera.com/news/africa/2013/05/2013527193955545659.html>

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| May 28, 2013 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 95.05 | 96.72 | 90.75 |
| NATURAL GAS Henry Hub \$/Million Btu | 4.15 | 4.09 | 2.66 |

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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