



# ENERGY ASSURANCE DAILY

Thursday Evening, June 25, 2015

## Electricity

### Update: Over 177,000 Customers Remain Without Power in Northeast, Mid-Atlantic June 25 after Strong Storms Hit June 23

Restoration was continuing Thursday after strong storms knocked out power to 722,215 customers in Connecticut, Massachusetts, Delaware, Maryland, New Jersey and Pennsylvania Tuesday night. As of 3:30 p.m. EDT, 177,733 customers remained without power. PECO, which reported 250,000 customers without power in Pennsylvania, said it expects the majority of customers to have service restored by Friday evening, although some customers in the most heavily damaged areas may be without service throughout the weekend. Atlantic City Electric, which also reported 250,000 customers without power in New Jersey, said storm damage to the electrical infrastructure was extensive and affected several high-voltage transmission lines, which serve large numbers of customers. The company said it expects to restore service to all of its customers by midnight Sunday, however, the vast majority of customers should have power restored before midday Saturday. PSE&G, which reported 85,865 customers without power in New Jersey said it expects to restore all customers by midday on Friday. Delmarva Power, which reported 76,000 customers without power, said significant progress has been made, with power expected to be restored for the vast majority of customers by midnight Thursday.

Northeast, Mid-Atlantic Customer Power Outages			
June 25, 2015			
Electric Utility	State	Peak	Latest Reported
Eversource (CPL)	CT/MA	60,350	1,058
DelMarVa Power	DE/MD	76,000	2,326
Atlantic City Electric	NJ	250,000	118,759
PSE&G	NJ	85,865	8,450
PECO	PA	250,000	47,140
<b>TOTAL*</b>		<b>722,215</b>	<b>177,733</b>

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

Sources:

<https://www.eversource.com/clp/outage/outagemap.aspx>

<http://www.delmarva.com/library/templates/Interior.aspx?Pageid=847&id=6442457604>

<http://www.atlanticcityelectric.com/pages/connectwithus/outages/outagemaps.aspx>

<http://www.atlanticcityelectric.com/library/templates/Interior.aspx?Pageid=1105&id=6442457602>

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

<https://www.pseg.com/info/media/newsreleases/2015/2015-06-24.jsp#.VYrL-flViko>

<https://s3.amazonaws.com/outagecenter.pseg.com/external/default.html>

<https://www.peco.com/CustomerService/OutageCenter/OutageMap/Pages/OutageMap.aspx>

<https://www.peco.com/CustomerService/OutageCenter/StormCenter/Pages/default.aspx>

### Tucson Electric Reports 19,000 Customers Without Power in Arizona June 24

Tucson Electric Power reported about 19,000 customers lost power around 10:45 p.m. MST Wednesday. Most customers had power restored by 2 a.m. MST. Crews were investigating the cause of the outage, according to the company.

<https://twitter.com/TEPEnergy>

<https://www.tep.com/outage/map/>

## **Update: Entergy's 1,075 MW Waterford Nuclear Unit 3 in Louisiana Restarts, Ramps Up to 80 Percent by June 25**

The unit was shut from full power on June 23.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

## **Update: AES's 175 MW Alamos Gas-fired Unit 2 in California Returns to Service by June 24**

The unit returned from an unplanned outage that began by June 21.

<http://content.caiso.com/unitstatus/data/unitstatus201506241515.html>

## **BHE Renewables' 310 MW Solar Star Unit 1 in California Shut by June 24**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201506241515.html>

## ***Petroleum***

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### **Update: Colonial Pipeline Says Its 850,000 b/d Line 3 Resumes Normal Operations June 24**

Colonial pipeline said its 850,000 b/d Line 3 petroleum products pipeline resumed full and normal operations on Wednesday evening. The line was shut on Tuesday morning to address a system integrity issue. The line runs from Greensboro, North Carolina, to Colonial Pipeline's hub in Linden, New Jersey, and moves both gasoline and distillates.

Reuters, 20:38 June 24, 2015

### **Update: Workers at ExxonMobil's 344,600 b/d Beaumont, Texas Refinery Vote on Contract June 25**

Union-represented workers at ExxonMobil Corp's Beaumont, Texas, refinery were scheduled to vote on Thursday on the latest contract offer from the company, a union official said. The offer is for a six-year pact, two years longer than the current national agreement between the United Steelworkers union (USW), which represents the Beaumont workers, and U.S. refinery owners. Workers at the Beaumont refinery have been working on a rolling 24-hour extension of their last contract, which expired on January 31, when the USW's previous national agreement ended.

Reuters 19:44 June 24, 2015

### **PBF Restarting FCCU, Coker at Its 180,000 b/d Paulsboro, New Jersey Refinery June 25 after Shutdown June 23 – Source**

PBF Energy Inc was working Wednesday to restart a fluid catalytic cracking unit (FCCU) and a coker unit at its Paulsboro, New Jersey refinery after they shut late Tuesday, according to a person familiar with the plant's operations. The refinery experienced elevated flaring and unit shutdowns during severe thunderstorms on Tuesday, according to a previous report from industry information provider Genscape.

Reuters, 13:40 June 24, 2015

### **Imperial Reports Small Fire Extinguished at Its 121,000 b/d Sarnia, Ontario Refinery – Community Alert**

Imperial Oil reported a small fire in a refinery unit was put out at its Sarnia, Ontario refinery early on Thursday, according to a community alert message. No injuries were reported and an all clear has been issued, the message on the Sarnia-Lambton alert site said.

Reuters, 5:40 June 25, 2015

### **Update: Tesoro Says Operations Unhurt by Minor Fire at Its 166,000 b/d Golden Eagle Refinery in Martinez, California June 23**

Tesoro said its Golden Eagle refinery in Martinez, California, refinery experienced a minor fire on June 23, and it was immediately extinguished. The company said there were no injuries and no impacts to operations.

Reuters, 13:34 June 24, 2015

### **ExxonMobil Reports Flaring at Its 149,500 b/d Torrance, California Refinery June 24**

Reuters, 21:09 June 24, 2015

## **Phillips 66 Reports Unplanned Flaring at Its 139,000 b/d Wilmington, California Refinery June 24**

Reuters, 18:31 June 24, 2015

## **Kinder Morgan to Start Up Second Houston Ship Channel Condensate Splitter in July**

Kinder Morgan Inc aims to start up its second condensate splitter at its Houston Ship Channel complex next month, a spokeswoman said. The 50,000 b/d splitter is slated to begin commissioning next week to test all systems leading to startup, the spokeswoman said. Kinder Morgan started up the first of two 50,000 b/d splitters in late March after delays in delivery of manufacturer parts and weather issues pushed startup from mid-2014.

Reuters, 12:31 June 25, 2015

## **Oklahoma Corporation Commission Calls Spike in Earthquakes a ‘Game Changer’**

A spike in earthquakes across Oklahoma is forcing the Oklahoma Corporation Commission (OCC) to urgently consider tougher restrictions on drilling activity, a spokesman said on Wednesday, calling it a “game changer.” From June 17 to 24, there have been 35 earthquakes of magnitude 3.0 or greater in the state, according to the Oklahoma Geological Survey. Particularly worrying for regulators, some of the recent quakes occurred in the Oklahoma City metropolitan area, where there are no high-volume wastewater injection wells. The spike in quakes comes roughly two months after new rules governing the disposal of briny wastewater from drilling took full effect. Drillers were ordered by the OCC, which regulates the oil and gas industry, to stop disposing wastewater below the state’s deepest rock formation, believed to be one of the main causes of the quakes, and to reduce the depth of wells that already go that deep. Oklahoma has been grappling with a rise in seismic activity since 2009, amid an expansion of drilling activity that has doubled the state’s oil output in the last seven years. It was not immediately clear why there was a spike in quakes in the last eight days. Prior to this period, quakes of magnitude 3.0 or greater typically hit Oklahoma once or twice a day, according to data from the U.S. Geological Survey (USGS). Prior to 2009, there were only one or two such quakes in the state in a year. Scientists attribute the general rise in tremors to soaring amounts of salty wastewater being injected underground. Injected liquid volumes have doubled from about 80 million barrels per month in 1997 to about 160 million barrels per month in 2013, according to a study by Stanford researchers published this month. The drilling boom is due in part to the expanded use of fracking to access oil and gas in tight shale formations, although the salty wastewater being injected into Oklahoma’s disposal wells is found naturally in formations along with the oil and gas, and are not fracking fluids.

<http://earthquakes.ok.gov/>

Reuters, 7:00 June 25, 2015

## **West Coast Refiners Increase Purchases of Russian Crude Oil**

Refiners on the West Coast and Hawaii have increased purchases of Russian crude oil, taking advantage of a narrow gap between U.S. and global prices as they look to guard against a seasonal shortage of Alaskan supply, trade and industry sources said. Up to four tankers were expected to carry nearly 3 million barrels of Russia’s ESPO crude from Kozmino near the city of Vladivostok to refineries in the U.S. this month and next, the sources said. Reuters ship tracking data confirms that the Aegean Power tanker loaded 730,000 barrels of ESPO crude last week and is due to arrive at the Long Beach refining hub in Los Angeles on July 9. Two or three additional cargoes are due to load either later this month or next, with Valero Energy Corp shipping Russian crude oil to one of its two refineries on the U.S. West Coast, and Par Petroleum taking at least one cargo to Hawaii, according to four trade and industry sources.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=48174](http://www.downstreamtoday.com/news/article.aspx?a_id=48174)

## ***Natural Gas***

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### **Columbia Pipeline Group Announces Board Approval of 2.7 Bcf/d Mountaineer, Gulf XPress Projects**

Columbia Pipeline Group, Inc., a subsidiary of NiSource Inc., on Wednesday announced approval by the board of directors of a combined future investment of \$2.7 billion in new infrastructure projects to support the continued development of gas supplies in the Marcellus and Utica shale regions. The Mountaineer XPress (MXP) and Gulf XPress (GXP) projects will provide 2.7 Bcf/d of firm transportation from Marcellus and Utica production areas to markets served by the Columbia Gas Transmission and Columbia Gulf Transmission systems. These projects are supported by long-term, firm transportation contracts with a variety of Marcellus and Utica producers and shippers. The two projects will substantially increase Columbia’s existing infrastructure to transport gas from the Ohio, Pennsylvania, and West Virginia production areas.

<http://ir.nisource.com/releasedetail.cfm?ReleaseID=919335>

## Blue Racer Midstream Commissions 200 MMcf/d Berne II Cryogenic Processing Plant in Ohio

Blue Racer Midstream, LLC on Wednesday announced it commissioned a second cryogenic processing plant at its Berne Natural Gas Processing Complex in Monroe County, Ohio. Known as Berne II, the new facility has 200 MMcf/d of nameplate capacity, bringing Blue Racer's total processing capacity in the Utica and Marcellus shale plays to 800 MMcf/d. Two 200 MMcf/d plants are now in service at the Berne Complex, and two additional 200 MMcf/d plants are in service at Blue Racer's Natrium Natural Gas Processing and Fractionation Complex in Marshall County, West Virginia. A 30-mile, Y-Grade pipeline connects the Berne Complex to Natrium. Fractionation capacity at Natrium has been expanded to 123,000 b/d, enough to serve at least six 200 MMcf/d cryogenic plants. Blue Racer expects to install and commission a fifth processing plant in the first half of 2016 to meet growing customer demand for additional capacity.

<http://www.blueracermidstream.com/news/blue-racer-midstream-provides-update-operations-utica-and-marcellus-shale>

## Other News

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Nothing to report.

## International News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
June 25, 2015			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	59.39	60.36	106.56
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.77	2.93	4.49

Source: Reuters

## Links

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***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](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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