



# ENERGY ASSURANCE DAILY

Friday Evening, June 28, 2013

## *Electricity*

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### **Heavy Storms Cut Power to Nearly 140,000 Customers in Southeast Michigan and Northern Indiana June 27**

Severe thunderstorms downed trees and utility poles and brought heavy flooding to some areas of southeast Michigan and Northern Indiana Thursday evening, knocking out power to 139,000 customers. The Detroit metropolitan area was the hardest hit by the storms; DTE Energy reported 110,000 customers were without power at the peak of the storm. The utility said it had crews working around the clock to restore service and had asked for assistance from other utilities in the region. The utility estimated it would take several days for full restoration. As of Friday morning, approximately 68,000 customers remained out of service. Consumers Energy in Michigan reported it still had approximately 667 customers without power Friday morning, after having more than 1,000 lose power at the peak of the storm. In Northern Indiana, NIPSCO reported 28,000 customers without power at the peak of the storm. The utility said almost 17,000 remained without electricity Friday morning. Purdue University lost power and cancelled classes and other activities Friday.

<http://www.freep.com/article/20130628/NEWS05/306280045/Storms-leave-flooding-power-outages-SE-Michigan>  
<https://www.dteenergy.com/cso/publicReportTrouble/reportTrouble.do?customerType=residential>  
<http://www.tribtown.com/view/story/f3adb73b8df44a2ea32368f59b077e03/MI--Severe-Weather-Michigan>  
<http://posttrib.suntimes.com/news/lake/21019556-418/power-still-out-for-thousands-purdue-cal-cancels-friday-classes.html>

### **Exelon's 1,154 MW Braidwood Nuclear Unit 2 in Illinois Shut for Pump Maintenance June 28**

Braidwood Generating Station operators took Unit 2 offline early Friday morning to perform maintenance on a pair of water pumps. The work can only be performed while the unit is not operating. The unit was operating at full power on Thursday morning.

[http://www.exeloncorp.com/Newsroom/pr\\_20130628\\_nuclear\\_BraidwoodUnit2Maintenance.aspx](http://www.exeloncorp.com/Newsroom/pr_20130628_nuclear_BraidwoodUnit2Maintenance.aspx)  
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

### **Diesel Generator Briefly Inoperable at Energy Northwest's 1,107 MW Columbia Generating Station Nuclear Unit in Washington June 27**

Energy Northwest filed a report with the Nuclear Regulatory Commission (NRC) indicating that during ongoing work at its Columbia Generating Station nuclear plant on Wednesday, the switch for the normal room supply fan was inadvertently mispositioned, causing the high pressure core spray and division 3 diesel generator to be inoperable for 20 minutes due to inadequate cooling of those systems. Operators returned the fan to service and verified the switch was functioning as expected. The NRC reported that on the morning of June 27 the unit was operating at 60 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130628en.html>

### **Duke Energy's 1,100 MW McGuire Nuclear Unit 2 in North Carolina Reduced to 19 Percent by June 28**

The Nuclear Regulatory Commission reported that on the morning of June 27 the unit was operating at full power.

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

### **Update: Kinder Morgan's 307,000 b/d Trans Mountain Pipeline Restarted June 27 After Oil Spill in British Columbia**

Kinder Morgan's Trans Mountain pipeline restarted Thursday after an estimated 20-25 barrels of oil leaked from the pipeline, caused by a defect in the pipe. The pipeline carries oil sands and refined products from Alberta to the Port of Vancouver and Puget Sound and must now have a steel sleeve installed over the affected area of pipe. The National Energy Board is requiring Kinder Morgan to inspect the sleeve weekly until the defect is cut out and replaced with a new section of pipe, a task which could take a month.

<http://www.theprovince.com/business/Second+leak+month+reported+Kinder+Morgans+Trans+Mountain+pipeline/8590121/story.html>

### **Emery Refining Announces Plans for a 15,000 b/d Refinery in Utah June 27**

Emery Refining, LLC and the Governor's Office of Economic Development (GOED), announced that the company will construct a new refinery in Emery County, Utah. The refinery will be built and operated by Red Rocks Resources LLC, a division of Emery. There are no definite plans for how the crude will be transported from wells in the Paradox and Uinta basins in Colorado and Utah. This would be the first refinery to be constructed in the U.S. since 1976.

[http://www.utahbusiness.com/articles/view/start\\_up\\_refinery\\_expected\\_to\\_bring\\_125\\_jobs\\_to\\_em](http://www.utahbusiness.com/articles/view/start_up_refinery_expected_to_bring_125_jobs_to_em)

<http://www.sltrib.com/sltrib/money/56516959-79/refinery-oil-utah-emery.html.csp>

### **Update: Refurbished 260,000 b/d CDU Starts Output at BP's Whiting, Indiana Refinery June 27**

BP Plc's Whiting, Indiana crude distillation unit (CDU), called Pipestill 12, started production after completing its initial startup. The unit should be fully operational by the end of the month according to the company.

Reuters, 13:57 June 27

### **Support System Disruptions Resolved at CITGO's 167,000 b/d Lemont, Illinois Refinery Following June 25 Storms**

CITGO said disruptions to some support systems were disrupted due to loss of power from storms on June 25 at the company's Lemont Refinery. The disruptions were quickly resolved but production was not affected.

Reuters, 10:12 June 27

### **Update: Phillips 66's 44,500 b/d Santa Maria Upgrading Facility in Arroyo Grande, California Returns to Normal by June 27 After June 23 Power Outage**

Phillips 66's Santa Maria upgrading facility located in Arroyo Grande, California is back to standard operation after a power outage that shut down the facility on June 23.

Reuters, 14:39 June 27

### **Shell Reports Unit Upset at Its 156,400 b/d Martinez, California Refinery June 27**

Royal Dutch Shell filed a report with the California Emergency Management Agency indicating that its Martinez refinery in California released 500 pounds of sulfur dioxide from a flare due to an unspecified unit upset.

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1051982](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1051982)

Reuters, 20:02 June 27, 2013

### **Update: Imperial's Conversion of 88,000 b/d Dartmouth, Nova Scotia Refinery into a Terminal Should Not Impact Canada's Propane Supply - Canadian Propane Association**

The Canadian Propane Association said Thursday that the pending closure of Imperial Oil's Dartmouth refinery in Halifax, Nova Scotia, will not have a serious effect on Canada's propane supply, as the refinery constitutes 1 percent of the country's supply. Imperial said June 19 it would convert the refinery into a terminal because it had been unable to find a buyer for it after putting it up for sale more than a year ago.

<http://www.theguardian.pe.ca/Business/2013-06-27/article-3294765/Refinerys-closure-not-expected-to-impact-Canadas-propane-supply-group/1>

## **Magellan Midstream Said Its Gulf Coast Pipeline Distribution System is Almost Complete June 26**

Magellan Midstream Partners, LP, told attendees at a conference on Wednesday that it is close to completing construction of an extensive pipeline distribution system, which will serve the U.S. Gulf Coast market. The system includes Magellan's West Texas Permian Basin to Houston pipelines, including the 225,000 b/d Longhorn pipeline, which went into service in April. It also includes the 300,000 b/d BridgeTex pipeline, expected to go into service in mid-2014. The company intends to connect pipeline distribution system to pipelines transporting oil from the Eagle Ford Shale of South Texas to the Houston area refining hub and with the southern part of TransCanada's Keystone XL pipeline, which is expected to begin delivering oil later this year.

<http://www.insidermonkey.com/blog/magellan-midstream-partners-l-p-mmp-close-to-completing-gulf-coast-pipeline-system-183212/>

## ***Natural Gas***

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### **Regency Shuts Down AGI Compressor at Its 290 MMcf/d Waha Gas Plant in Texas June 27**

According to a report filed with the Texas Commission on Environmental Quality, the AGI compressor at Regency's Waha gas plant was shutdown to repair and replace stainless steel tubing line, fittings, and a valve. Repairs were completed in timely manner. Operators reset and restarted the compressor.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=184828>

### **Flaring Reported at Upton's 112 MMcf/d Benedum Gas Plant in Texas June 27**

Upton Gas GP, Inc. reported that its Benedum gas plant in Texas flared various gas streams when its main residue line was shut by the third party pipeline owner due to the gas not meeting specification on water content. The site additionally had two engines down during this event which prevented it from producing enough on spec residue gas to put into the sales gas pipeline. Operators are automatically routing the streams to the emergency flare as needed in order to stabilize plant operations and return on spec residue gas to the sales pipeline.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=184831>

### **DCP Midstream's 85 MMcf/d Robert Ranch Gas Plant in Texas June 27**

A report filed with the Texas Commission on Environmental Quality indicated that DCP Midstream's Robert Ranch gas plant in Texas flared residue gas when the El Paso Natural Gas slam valve closed due to high moisture in the residue gas. After the plant was able to get the unit circulating again, it experienced trouble lighting the burner. Operators re-routed gas to the Pegasus Plant and shut down an engine at the North Booster to minimize flaring. DCP then contacted Gas Control to have El Paso Natural Gas send out a field tech to open its valve.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=184822>

### **Enbridge Shuts VRU Compressor, SRU at Its Pittsburg Gas Plant in Texas June 27**

Enbridge reported that its Pittsburg gas plant in Texas lost utility power provided by Upshur Rural due to a tree interfering with the line. This caused the vapor recovery unit compressor to go down and flaring as a result of emissions. The sulfur recovery unit as was affected. Operators shut in-let gas until power was restored, minimized emissions, and returned the VRU and SRU to service as quickly as possible.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=184821>

## ***Other News***

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### **New Initiative Launched to Improve Oil and Natural Gas Industry Cybersecurity Capabilities June 27**

Energy Secretary Ernest Moniz announced a new public-private partnership to strengthen protection of the nation's oil and natural gas infrastructure from cyber attacks. The initiative will create a tool that allows owners and operators to assess their cybersecurity capabilities and prioritize their actions and investments to improve cybersecurity. Over the next several months, a draft maturity model will be created followed by a pilot program that will assess the maturity model's effectiveness and validate results. The model will then be updated and released to industry.

<http://energy.gov/articles/energy-department-launches-public-private-initiative-help-oil-and-natural-gas-industry>

### Iraq Plans to Announce Companies to Build Iraq-Jordan Pipeline in July

According to Iraqi officials, Iraq plans to announce in July prequalified companies qualified to build the country's first oil export pipeline—a 1,680 kilometer pipeline running from the hub of Basra in southern Iraq to the Jordanian Red Sea port of Aqaba. The Iraqi oil ministry said Thursday that Japanese, Russian, Chinese, and South Korean consortia, along with other European countries, have submitted documentation to qualify to build the pipeline. The first phase of the pipeline will run from Haditha, northwest of Baghdad, to Aqaba and will carry 1 million b/d; the second phase will run from Haditha to the Syrian Mediterranean port of Baniyas and carry 1.25 million b/d.

[http://www.steelguru.com/middle\\_east\\_news/Iraq\\_to\\_announce\\_in\\_July\\_firms\\_to\\_build\\_oil\\_pipeline\\_to\\_Jordan\\_official/316744.html](http://www.steelguru.com/middle_east_news/Iraq_to_announce_in_July_firms_to_build_oil_pipeline_to_Jordan_official/316744.html)

## Energy Prices

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| U.S. Oil and Gas Prices  |       |          |          |
|--|-------|----------|----------|
| June 28, 2013  |       |          |          |
|  | Today | Week Ago | Year Ago |
| <b>CRUDE OIL</b><br><b>West Texas Intermediate U.S.</b><br>\$/Barrel | 97.10 | 93.28    | 82.25    |
| <b>NATURAL GAS</b><br><b>Henry Hub</b><br>\$/Million Btu             | 3.73  | 3.90     | 2.81     |

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>

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)