



# ENERGY ASSURANCE DAILY

Friday Evening, July 06, 2012

## Major Developments

### Update: More Than 375,000 Utility Customers from Ohio to Virginia Remain without Power July 6 after Summer Storms

A severe thunderstorm system, known as a “Derecho,” raced through the Eastern United States overnight June 29–30, with heavy rain, hail, straight-line winds, and gusts reaching 80 miles per hour. The storms knocked out power to more than 4 million customers. On July 1, new storms crossed the affected area, causing additional outages in some states. In total, the weekend storms cut power to more than 4.5 million customers. As of 4:00 PM EDT Friday, 375,456 customers from Ohio to Virginia remained without power (see table). Restoration estimates for heavily affected utilities are summarized below:

- **AEP Ohio** reported this morning that it expected 90–95 percent of its customers to have their service restored by midnight July 7, with the remaining customers restored by midnight July 9.
- **Appalachian Power** reported this afternoon that it had restored power to 67 percent of its 573,000 customers in Virginia and West Virginia affected by the storms. Since the original storm on June 29, three additional storms caused 30,000 (July 1), 6,000 (July 3), and 40,000 (July 5) new outages throughout Appalachian’s service territory. The utility estimated that 95 percent of its customers should have their power restored by late July 8.
- **Allegheny Power** (First Energy) anticipated it would restore power to a majority of its customers in West Virginia by late July 8, but some customers would not be restored until early next week.
- **Baltimore Gas and Electric Company** (BGE) said today that it expected to work through the weekend to restore service to the remaining 4 percent of its customers that lost power June 29. The utility said an additional 90,000 outages had occurred after June 29, including outages due to storms July 5 and “heat-related” outages. Restoration of these new outages could be delayed due to the company’s focus on outages related to the June 29 storm, the utility said.

For previous reports on customer outages, energy infrastructure issues, and restoration efforts see: Ohio Valley & Mid-Atlantic Summer Storm Situation Reports issued by the U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability (OE/ISER), at the following URL:

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=65](http://www.oe.netl.doe.gov/named_event.aspx?ID=65)

Ohio Valley & Mid-Atlantic Customer Power Outages		
4:00 PM EDT July 6, 2012		
Electric Utility	State	Latest Reported
Baltimore Gas & Electric (BGE)	MD	20,442
Pepco	MD	4,970
Potomac Edison (First Energy)	MD	116
<b>Maryland Subtotal</b>		<b>25,528</b>
Atlantic City Electric	NJ	4,716
<b>New Jersey Subtotal</b>		<b>4,716</b>
AEP Ohio	OH	82,401
South Central Power Company	OH	610
Ohio Rural Electric Cooperatives*	OH	5,540
<b>Ohio Subtotal</b>		<b>88,551</b>
Appalachian Power (AEP)	VA	58,342
Dominion Virginia Power	VA	4,665
<b>Virginia Subtotal</b>		<b>63,007</b>
Appalachian Power (AEP)	WV	129,987
Allegheny Power (First Energy)	WV	63,254
AEP Ohio	WV	413
<b>West Virginia Subtotal</b>		<b>193,654</b>
<b>TOTAL**</b>		<b>375,456</b>

\*Not including South Central Power Company \*\*Total outages represent only electric utilities listed in this table.

Sources:

<http://www.reuters.com/article/2012/07/06/usa-weather-power-idUSL2E8I5DVF20120706>

#### **Maryland**

<http://outages.firstenergycorp.com/mdwv.html>

<http://www.bge.com/customerservice/stormsoutages/currentoutages/pages/default.aspx>

<http://www.bge.com/Article%20Documents/Press%20Release%20July%206%20AM.pdf>

<http://www.pepco.com/home/emergency/maps/stormcenter/>

#### **New Jersey**

<http://www.atlanticcityelectric.com/home/emergency/maps/stormcenter/>

#### **Ohio**

<https://www.aepohio.com/outages/>

[http://www.southcentralpower.com/OW/ow\\_map.aspx?county=0](http://www.southcentralpower.com/OW/ow_map.aspx?county=0)

<http://www.ohioruralelectric.coop/outage-map>

#### **Virginia**

<https://www.dom.com/storm-center/dominion-electric-outage-summary.jsp>

<https://www.appalachianpower.com/outages/>

#### **West Virginia**

<https://www.aepohio.com/outages/>

<https://www.appalachianpower.com/outages/>

<http://outages.firstenergycorp.com/mdwv.html>

[https://www.firstenergycorp.com/newsroom/news\\_releases/mon\\_power\\_has\\_restored240000customersaffectedbydamagingstormsasr.html](https://www.firstenergycorp.com/newsroom/news_releases/mon_power_has_restored240000customersaffectedbydamagingstormsasr.html)

[https://www.firstenergycorp.com/outages\\_help/Summer\\_Storm\\_Information.html](https://www.firstenergycorp.com/outages_help/Summer_Storm_Information.html)

## ***Electricity***

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### **Update: More Than 142,000 DTE Energy and Consumers Energy Customers in Southeastern Michigan Remain without Power July 6 after Severe Weather July 3–5**

Severe thunderstorms and high winds across southeastern Michigan July 3–5 disrupted power service at peak to approximately 325,000 DTE Energy electric customers and 104,000 Consumers Energy customers in the region. As of 11:00 AM local time Friday, approximately 90,000 DTE Energy customers remained without service. A DTE spokesman said the utility expected to restore power to the majority of affected customers by late tonight, with the remainder restored by late Saturday night. Consumers Energy reported as of 4:00 AM local time Friday that approximately 52,100 of its customers remained without service due to the thunderstorms. The utility expected to restore power to a majority of affected customers by late today. Customers in the hardest hit counties may not receive electric service until Saturday or Sunday.

<http://www.consumersenergy.com/News.aspx?id=5571&year=2012>

<http://www.dteenergy.com/residentialCustomers/problemsSafety/outageCenter/index.html>

<http://www.detroitnews.com/article/20120706/METRO/207060388/1361/105K-still-without-power-as-100-degree-day-looms>

### **Update: Con Edison Reduces Voltage by 5 Percent in Some Brooklyn Neighborhoods July 4–5 amid Heat Wave as Union Lockout Continues**

Consolidated Edison reduced voltage by 5 percent in parts of Brooklyn Wednesday night as a precaution while workers repaired equipment serving some communities, according to a press release. On Thursday afternoon, the company expanded the voltage reductions to several other Brooklyn neighborhoods. Meanwhile, contract talks between Con Edison and locked-out union workers negotiations Thursday ended without reaching an agreement. The utility locked out 8,500 members of the Utilities Workers Union of America (UWUA) July 1 after failing to reach an agreement on wages, pensions, and health benefits. The utility assigned 5,000 managers to maintain service in the meantime. Contract negotiations were expected to resume today. Con Edison said the voltage reductions in Brooklyn have nothing to do with the lockout, noting it had in June enacted similar voltage reductions in Brooklyn and Queens during an intense heat wave.

<http://finance.yahoo.com/news/con-edison-locked-workers-resume-032603004.html>

<http://www.coned.com/newsroom/news/pr20120704.asp>

<http://www.coned.com/newsroom/news/pr20120705.asp>

## **MISO Real-Time Power Prices Go over \$1,000/MWh during Heat Wave in U.S. Midwest July 5**

Real-time power prices in the Midwest Independent System Operator (MISO) market were over \$1,000 per megawatt-hour (MWh) for at least an hour Thursday afternoon as temperatures reached the triple digits in several of the largest metropolitan areas in the grid, MISO said on its website. On-peak power prices in the MISO transmission system usually average about \$60/MWh at this time of year. MISO issued a maximum generation emergency warning on Thursday, calling on power generators outside the MISO territory that had previously agreed to sell power into the MISO market to schedule those resources. Demand for power was expected to reach about 94,700 MW on Thursday and 91,500 MW on Friday, still well below the grid's all-time record of 98,526 MW, which was set on July 20, 2011. By about 3:30 PM EDT Thursday, real-time prices dropped to more-normal levels around \$30–\$39/MWh.

<http://www.reuters.com/article/2012/07/05/utilities-midwestiso-heatwave-idUSL2E8I5CE320120705?feedType=RSS&feedName=utilitiesSector&rpc=43>

## **Alliant Energy Initiates Appliance Cycling for All Participating Iowa Customers to Reduce Overall Energy Usage amid High Temperatures**

Interstate Power and Light Co. (IPL), an Alliant Energy company, announced today it will cycle air conditioners and electric water heaters for all participating Iowa customers due to high temperatures. Customers enrolled in the Appliance Cycling program will have their air conditioner cycled in 15-minute intervals from 1:00 PM–7:00 PM today to reduce overall energy usage. A similar program for electric water heaters is also included in today's event.

<http://www.alliantenergy.com/AboutAlliantEnergy/Newsroom/NewsReleases/032016>

## **Update: PPL's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Ramped Up to 97 Percent by July 6**

PPL Susquehanna restarted Unit 1 July 2 after completing repairs to seal a small water leak inside the containment structure surrounding the reactor. The unit had been shut since June 19, when operators detected the leak and began to investigate its source.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

## **Dynegy's 335 MW El Segundo Gas-Fired Unit in California Shut by July 5**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201207051515.html>

## **Update: Calpine's 135 MW Calpine American I Natural Gas-Fired Unit in California Returns to Service by July 5**

The unit returned from an unplanned outage that began by July 4.

<http://content.caiso.com/unitstatus/data/unitstatus201207051515.html>

## ***Petroleum***

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### **Valero Shuts FCCU, Alkylation Unit after Unspecified Malfunction at Its 83,000 b/d Houston, Texas Refinery July 5**

Valero Energy Corp. reported it shut a fluid catalytic cracking unit (FCCU) at its Houston refinery following a malfunction Thursday afternoon, according to a spokesman. Operators also shut the refinery's alkylation unit. Valero was investigating the upset, but it didn't expect the outage to be a lengthy one, the spokesman said.

<http://www.reuters.com/article/2012/07/06/refinery-operations-valero-houston-idUSH5E8GG00I20120706>

### **Shell Reports Sulfur Dioxide Emissions at Its 329,800 b/d Deer Park, Texas Refinery July 3–5**

Shell reported a release of sulfur dioxide from the East Property Flare at its Deer Park refinery Wednesday afternoon, according to a filing with the Texas Commission on Environmental Quality. Upon investigation, operators determined intermittent flaring appears to have occurred from the afternoon of July 3 until the morning of July 5. Sulfur dioxide emissions occurred twice during that period. Operators believe both occurrences were from the same source, but they were still working to confirm this at the time of the filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=170704>

### **ExxonMobil Reports SCU Emissions at Its 572,000 b/d Baytown, Texas Refinery July 4**

ExxonMobil reported emissions from the steam cracking unit (SCU) No. 2 at its Baytown refinery on Wednesday after reduced absorption on the unit forced operators to reduce SCU-2 feed rates and route the gas stream to alternate disposition for control, according to a filing with the Texas Commission on Environmental Quality. The event ended later that night without impacting production, the filing said.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=170660>

### **Unspecified Unit Startup Leads to Emissions at Total's 232,000 b/d Port Arthur, Texas Refinery July 4**

Total Petrochemicals reported emissions of sulfur dioxide during the startup of an unspecified unit at its Port Arthur refinery Wednesday afternoon, according to a filing with Texas regulators. The filing lists the tail gas thermal incinerator of sulfur recovery units (SRUs) Nos. 1 and 3 as a source of emissions. Operators were trying to determine the cause of the excess emissions at the time of the filing, which said that emissions had continued into Thursday afternoon.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=170696>

### **Update: BP Expects No Impact from July 3 Compressor Trip at Its 265,000 b/d Carson, California Refinery – Sources**

A brief compressor malfunction at BP Plc's Carson refinery on Tuesday had no significant impact on operations, according to sources familiar with refinery operations. The compressor went down and came back online in a few minutes, one of the sources said.

<http://www.reuters.com/article/2012/07/05/refinery-operations-bp-carson-idUSH5E8GG00G20120705>

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## **Natural Gas**

### **Encana Shuts-In 11 Natural Gas Wells by July 5 Due to Third Water Springs Fire in Northwest Colorado**

Encana reported it took precautionary measures Thursday by shutting-in 11 natural gas well pads in the path of a new wildfire burning near De Beque, Colorado. The Third Water Springs Fire ignited Wednesday due to lightning strike and was burning in the Roan Creek and Plateau areas within the Piceance Basin in northwest Colorado. The fire ignited just as officials were demobilizing after extinguishing the Pine Ridge Fire, which burned in the same region last week, shutting-in more than 135 natural gas wells at the time.

[http://www.nbc11news.com/news/headlines/Third\\_Water\\_Springs\\_Fire\\_burns\\_150\\_acres\\_161507115.html?ref=115](http://www.nbc11news.com/news/headlines/Third_Water_Springs_Fire_burns_150_acres_161507115.html?ref=115)

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## **Other News**

Nothing to report

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## **International News**

### **Update: Norway Government Summons Oil Strike Parties to Meeting July 6; Analysts Expect a Quick, Forced Intervention to End Dispute**

Norwegian oil workers and the oil industry association were summoned to a meeting at Norway's Labour ministry Friday afternoon to discuss the ongoing strike affecting offshore oil and natural gas production, the ministry said on its website. Analysts have said they expect a quick, forced intervention by the government to end the dispute, which has shut-in around 13 percent of daily oil production and 4 percent of daily natural gas production since the strike began June 24. Platform workers belonging to Industry Energy, the Norwegian Union of Energy Workers, and the Norwegian Organization of Managers and Executives went on strike after negotiations with the Norwegian Oil Industry Association (OLF) broke down over a pension issue. The strike immediately shut down most production from Statoil's offshore Heidrun and Oseberg fields in the North Sea, and the company said yesterday it was preparing to halt all production on the Norwegian continental shelf following a notice from the OLF that it will impose a lockout on all members of the three unions covered by offshore pay agreements.

<http://www.reuters.com/article/2012/07/06/norway-strike-government-idUSO9E8H601D20120706?feedType=RSS&feedName=rbssEnergyNews&rpc=43>  
<http://www.reuters.com/article/2012/07/06/norway-lockout-idUSL6E8I60XS20120706>

## Energy Prices

U.S. Oil and Gas Prices			
July 6, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	84.45	78.67	96.85
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.94	2.87	4.40

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

Updated after 10:30 AM and 1:00 PM Eastern Time every Wednesday.

***Natural Gas Weekly Update*** from EIA

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

Updated after 2:00 PM Eastern Time every Thursday.

### ENERGY ASSURANCE DAILY

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

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