



ENERGY ASSURANCE DAILY

Wednesday Evening, July 9, 2014

Major Developments

Strong Thunderstorms Knock Out Power to Over 1 Million Customers in Mid-Atlantic, Northeast, Quebec July 8

Severe thunderstorms with high winds, lightning, and intense rain moved through Pennsylvania, West Virginia, Maryland, Washington D.C., New Jersey, New York, and into Quebec, Canada Tuesday evening knocking out power to 1,048,200 customers. As of 3:30 p.m. EDT today, 198,157 customers remained without power. PECO, the hardest hit utility, expects service to be restored to the majority of customers throughout the day today and tomorrow. PSE&G said it expects full restoration by midnight Wednesday and PPL plans to have all power restored by 11 p.m. Thursday. NYSEG anticipates restoring 90 percent of the original Ithaca-area outages by Friday morning but for the hard-hit areas, restoration work will continue into Saturday. Dominion expects to have most customers restored by Wednesday evening but does not expect restoration to be completed until possibly as late as overnight Wednesday. RG&E expects to have power restored to all customers by the end of the day today. Baltimore Gas & Electric (BGE) expects the vast majority of outages to be restored by late this evening. However, due to the severity of the damage, some scattered outages will extend into Thursday. The company is also preparing for another round of thunderstorms, forecasted to impact central Maryland this afternoon.

Mid-Atlantic and Northeast Customer Power Outages			
July 8–9, 2014			
Electric Utility	State	Peak	Latest Reported
Potomac Edison	MD	96,000	23,099
Baltimore Gas and Electric (BGE)	MD	75,000	7,137
Pepco	MD/DC	35,000	1,140
Jersey Central Power and Light	NJ	40,000	1,739
Public Service Electric and Gas (PSE&G)	NJ	39,000	6,321
Atlantic City Electric	NJ	15,000	289
NYSEG	NY	57,000	11,150
National Grid	NY	56,000	32,264
Rochester Gas & Electric	NY	27,000	2,376
PECO	PA	260,000	35,300
PPL Electric	PA	75,000	16,946
Met-Ed	PA	69,000	17,655
Dominion Virginia Power	VA	40,000	874
Mon Power	WV	71,000	34,204
Hydro Quebec	Quebec, Canada	93,200	7,663
TOTAL*		1,048,200	198,157

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

Sources:

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

<https://twitter.com/pecoconnect>

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

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

https://twitter.com/Met_Ed

https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/media-advisory---mon-power-summer-storm-update.html

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

https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/media-advisory---met-ed-summer-storm-update.html

https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/media-advisory---potomac-edison-summer-storm-update.html
<https://twitter.com/PSEGnews>
<http://www.pseg.com/info/media/newsreleases/2014/2014-07-09.jsp#.U71tJvldUSk>
<https://www1.nationalgridus.com/PowerOutageMap>
<https://twitter.com/PPLElectric>
<https://www.pplelectric.com/my-account/outage-center/outage-map.aspx>
<http://outagemap.bge.com/>
<https://www.atlanticcityelectric.com/pages/connectwithus/outages/outagemaps.aspx>
<http://www.nyseg.com/Outages/outageinformation.html>
<http://www.nyseg.com/OurCompany/News/2014/070914ithacastorm1115am.html>
<http://www.pepco.com/pages/connectwithus/outages/outagemaps.aspx>
<http://www.pepco.com/library/templates/interior.aspx?pageid=6442454157&id=644245551>
<http://www.rge.com/Outages/outageinformation.html>
http://www.rge.com/OurCompany/News/2014/070914july8storm_8am.html
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<http://www.cbc.ca/news/canada/montreal/power-still-out-for-thousands-in-montreal-1.2700778>
http://www.washingtonpost.com/local/28000-in-montgomery-county-without-power/2014/07/08/3fe1f2a2-06fd-11e4-9a71-264773a2ffc8_story.html
<http://www.app.com/story/weather/2014/07/08/severe-weather-outages/12393273/>
<http://www.shorenewstoday.com/snt/news/index.php/weather/54377-storms-knock-out-power-to-more-than-15000.html>
http://www.lehighvalleylive.com/breaking-news/index.ssf/2014/07/power_outages_continue_well_af.html
http://www.syracuse.com/news/index.ssf/2014/07/more_than_55000_customers_in_central_new_york_lose_power_in_storm.html
<http://www.bge.com/Article%20Documents/BGERestoresServiceFollowing%20StormsFinal%207.9.14.pdf>

Electricity

Ameren to Close Its 1,041 MW Meramec Coal-Fired Plant in Missouri by 2022

Ameren Missouri told state regulators it will shut down the 61-year-old Meramec coal-fired plant in Oakville, Missouri by 2022, or possibly sooner pending stricter rules on greenhouse gas emissions. Ameren's board of directors approved the Meramec closure in late June.

<http://www.ksdk.com/story/news/local/2014/07/08/ameren-meramec-coal-plant-2022/12349673/>

Panda Funds Expects Two 758 MW Natural Gas-Fired Power Plants to Enter Service in Texas by September

Power Funds said on Tuesday it expects two 758 MW natural gas-fired, combined-cycle power plants now under construction in Texas to enter service over the next few months. The Temple I plant in the town of Temple is expected to enter service by August 1 and the Sherman plant in the town of Sherman is expected to enter service on or before September 1, a spokesman for Panda Power said. In addition to these two plants, Panda Power is also building another 758-MW unit at Temple, called Temple II, which is expected to enter service in 2015.

Reuters, 16:26 July 8, 2014

Navasota Energy Seeks to Build Three 543 MW Natural Gas-Fired Power Plants in Texas

Navasota Energy on Tuesday said it was seeking to build three 543 MW, natural gas-fired power plants in Texas to enter service in spring 2017. The three simple-cycle, peaking power plants are Van Alstyne in Grayson County, Clear Springs in Guadalupe County, and Union Valley in Wilson County. The company filed for state air permits for the three plants in June and expects each to take about 12 months to build after the company obtains the necessary approvals. Each plant will contain two or three 181 MW turbines.

Reuters, 17:09 July 8, 2014

Buckeye's Laurel Pipeline in Pennsylvania Shut Due to Power Blip July 9

Buckeye Partners LP reported its Buckeye L724 (Laurel pipeline) sourcing from Boothwyn, Pennsylvania as well as receipts into Boothwyn, Pennsylvania were down due to a power failure. Buckeye said the power company was working to restore power as quickly as possible, but have given no estimated restoration time
Reuters, 11:16 July 9, 2014

Delta's 185,000 b/d Trainer, Pennsylvania Refinery at Half Capacity Due to Repairs

Delta Airlines Inc.'s refinery in Trainer, Pennsylvania was partially shut and running at half capacity as workers repair a key gasoline-producing unit and crude unit, a person familiar with the plant's operations said. The refinery's 50,000 b/d catalytic cracker was shut about a week ago, and the crude distillation unit was closed Tuesday, the person said. The plant can currently only handle about half the amount of crude it typically is able to refine, the source said on Wednesday. Industrial intelligence group Genscape said separately on Wednesday it had detected increased heating and emissions from the fluid catalytic cracking unit, which had been offline for the past week.
Reuters, 11:27 July 9, 2014

Citgo Cuts Production at Its 163,000 b/d Corpus Christi, Texas Refinery Due to Partial Outage of SRU July 8

Citgo Petroleum Corp. cut back production in the East Plant of its Corpus Christi, Texas, refinery on Tuesday due to the partial outage of a sulfur recovery unit (SRU), said sources familiar with the plant's operations. Production has been reduced on the refinery's crude distillation unit due to the inability to maintain the normal capacity of sulfur removal, the sources said. Output from the refinery's two fluidic catalytic cracking units, both in the East Plant, was been cut back due to damage to the SRU A unit when a hole was blown out of an inlet line.

Citgo filed a notice about the damage to the SRU unit with the Texas Commission on Environmental Quality on Tuesday. The refinery was making preparations to begin repairs by no later than next week. The repairs were expected to take at least two weeks to complete.

Reuters, 22:52 July 8, 2014

Alon Announces Completion of Turnaround at Its 73,000 b/d Big Spring, Texas Refinery

Alon USA Partners, LP on Tuesday said since completion of the turnaround and the vacuum tower project, the Big Spring refinery's crude throughput has been approximately 73,000 b/d. The vacuum tower project increased distillate recovery by 2,000 b/d which allows the refinery to increase utilization of various process units. This increased utilization supports raising crude throughput rates from 70,000 to 73,000 b/d with no negative impact on finished product yields. The total throughput for the second quarter was approximately 39,000 b/d. Total throughput for the third quarter and the fourth quarter is now expected to be approximately 74,000 b/d and 75,000 b/d, respectively.

<http://ir.alonusa.com/press-releases/detail/1664>

Enbridge Says Line Fill on Its 600,000 b/d Flanagan South Oil Pipeline Pushed to Early Fourth Quarter

Construction of the Flanagan South oil pipeline from Illinois to Oklahoma will be complete late in the third quarter, with the first oil flowing early in the fourth quarter, operator Enbridge Inc. said. The new timeline for commissioning the nearly 600-mile conduit is later than generally expected, delaying the delivery of another large slug of Canadian crude to refiners along the U.S. Gulf Coast. Flanagan South will connect Enbridge's main Canadian export pipeline to Cushing, Oklahoma, where the oil is expected to flow into the expanded Seaway pipeline to the Gulf.

Reuters, 8:17 July 9, 2014

BridgeTex Seeks Additional Commitments on Its 300,000 b/d Texas Pipeline

Magellan Midstream Partners, L.P. and Occidental Petroleum Corporation announced today that BridgeTex Pipeline has launched a supplemental open season for additional transportation commitments on the pipeline. Construction of the BridgeTex Pipeline commenced in November 2012 following an initial successful open season in which BridgeTex secured long-term transportation commitments supporting the project. BridgeTex Pipeline is now in the final stages of construction and will be capable of transporting up to 300,000 b/d of Permian Basin crude oil from Colorado City, Texas to the Houston Gulf Coast area. Initial linefill requirements are being received, and BridgeTex Pipeline expects to begin pipeline movements by mid-third quarter to deliver crude oil to the Houston Gulf Coast area.

<http://www.magellanlp.com/magellannewsc.aspx?id=2147483960>

Global Partners and Kansas City Southern Announce Agreement to Develop Unit Train Crude Oil Terminal in Port Arthur, Texas

Global Partners LP and Kansas City Southern on Tuesday announced plans to develop a unit train terminal in Port Arthur, Texas. The waterborne terminal, which will be constructed on a 200-acre parcel leased by Global from KCS, will serve initially as a destination for heavy crude from Western Canada utilizing 340,000 barrels of initial storage capacity. Upon commencement of unit train service, the terminal is expected to have an initial capacity of up to 2 unit trains per day. Construction of the terminal is contingent upon Global's receipt of all necessary permits.

<http://www.globalp.com/news/article.cfm?articleID=301>

Lightning Strike Causes 649 Barrel Oil Spill at 1804 Operating Facility in North Dakota July 7

A lightning strike in North Dakota on Monday led to a spill of some 649 barrels of oil and 2,813 barrels of brine at a facility owned by 1804 Operating, according to a local media report. The lightning strike sparked a fire at a saltwater disposal facility, said the report on the website of Upstream, citing the North Dakota health department. Some of the fluids flowed off site but were contained before reaching a tributary of Lonesome Creek, and no injuries were reported, the health department said, according to Upstream.

Reuters, 23:41 July 8, 2014

Natural Gas

Destin's Pascagoula Gas Plant to Modify Operations Due to Wilprise NGL Pipeline Shutdown

Destin Pipeline Co LLC said on Wednesday the Pascagoula Gas Processing Plant (PGP) plans to modify operations during a scheduled shutdown of the Wilprise natural gas liquids pipeline. Wilprise will shut its natural gas liquids pipeline on July 14 to conduct planned maintenance for eight days. The PGP's ability to receive and process gas from Destin's offshore receipt points is not expected to be affected, Destin said. The 225-mile Destin gas pipeline system has the capacity to carry 1.2 billion cubic feet per day from the Gulf of Mexico north to interconnections with six major interstate gas lines.

Reuters, 11:18 July 9, 2014

<http://www.destin-pipeline.com/>

DCP Midstream Reports Engine Shut at Its 160 MMcf/d Goldsmith Gas Plant in Texas July 8

DCP Midstream reported NR 21 5# engine went down due to hot valve on compressor. Operators called out a mechanic, and once repairs were made, the engine was restarted, ending flare event

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=200762>

Steelhead LNG Applies to Build LNG Export Terminal on Vancouver Island, British Columbia

Steelhead LNG said on Tuesday it had applied to Canada's National Energy Board (NEB) for permission to export up to 30 million tonnes of LNG a year for 25 years, joining a list of fourteen companies vying to build projects in British Columbia. Steelhead's export terminal, which would be designed to produce 24 million tonnes of LNG a year, would be built in Anacla, a remote village about northwest of Victoria on Vancouver Island. Steelhead was working closely with the local Aboriginal community to develop the project, which will also require the construction of a lengthy pipeline to carry the gas from fields in northern British Columbia and Alberta.

The Vancouver-based company does not own gas properties but plans to operate the LNG plant on a type of tolling model - working with producers to secure gas, converting it for them into LNG and then shipping it to final customers.

Reuters, 14:20 July 8, 2014

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
July 9, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	103.08	105.81	102.97
NATURAL GAS Henry Hub \$/Million Btu	4.16	4.42	3.69

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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