



ENERGY ASSURANCE DAILY

Thursday Evening, July 14, 2016

Electricity

Nearly 82,000 Ameren Customers Remain Without Power After Storms Cut Power to More Than 200,000 in Missouri and Illinois July 13–14

Ameren crews worked overnight to restore power to more than 200,000 customers in southeast Missouri and southern Illinois after a string of storms with strong winds swept through the region Wednesday. About 105,000 Ameren customers were without electricity in Missouri Wednesday evening, and more than 100,000 lost power in Illinois. As of 2:30 p.m. EDT, 55,112 customers remained without power in Missouri, and 26,835 customers remained without power in Illinois. While Ameren field crews and contractors have been actively engaged in restoration services since storms hit early yesterday afternoon, workers from multiple utilities are being dispatched to provide additional assistance. Mutual Aid resources are coming from other state utilities including Mississippi, Ohio, Tennessee, Texas, and Wisconsin.

<https://www.ameren.com/outage-center/outage-map>

<http://ameren.mediaroom.com/news-releases?item=1475>

<https://weather.com/storms/severe/news/severe-weather-st-louis-midwest>

Update: Indiana-Michigan Power's 1,060 MW D.C. Cook Nuclear Unit 2 in Michigan Returns to Service July 12, Ramped Up to 90 Percent by July 14

Indiana Michigan Power's Cook Nuclear Plant Unit 2 returned to service at 6:00 p.m. CDT Tuesday, according to a press release issued Wednesday. A rupture in a steam expansion joint bellows shut down the unit on July 6 and damaged the Turbine Building exterior wall. The cause of the failure is believed to be vibration-induced metal fatigue. During the repairs, improvements were made to the expansion joint to ensure reliability until the unit is taken off line this fall for refueling. More comprehensive design change improvements will be made then. Plant operators manually shut down the reactor immediately following the rupture and briefly entered the site's emergency plan at the lowest level following the incident. There were no injuries and Cook Unit 1 remained at full power through the period.

<https://www.indianamichiganpower.com/info/news/viewRelease.aspx?releaseID=2029>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Update: Campo Verde's 139 MW Campo Verde Solar Unit in California Returns to Service by July 13

The unit returned from an unplanned outage that began by July 11.

<http://content.caiso.com/unitstatus/data/unitstatus201607131515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201607111515.html>

RRI Energy's 320 MW Etiwanda Gas-Fired Unit 3 in California Shut by July 13

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201607131515.html>

Dominion Virginia Planning 56 MW of New Solar Capacity at Three Facilities in Virginia by 2020

Dominion Virginia Power is preparing to build three solar energy facilities in Virginia, in Powhatan, Louisa and Isle of Wight counties, including the 17 MW Scott Solar project, the 20 MW Whitehouse Solar project, and the 19 MW Woodland Solar project. The solar projects received approval from the State Corporation Commission on June 30, 2016. All projects are expected to be operational by 2020.

<https://www.dom.com/corporate/news/news-releases/137145>

<https://www.dom.com/corporate/what-we-do/electricity/generation/solar/virginia-solar-projects>

Lookout Mountain Wildfire Threatening TVA Transmission Line in Northwest Georgia July 14

Federal firefighters were moving in Thursday morning to help fight a stubborn wildfire that is threatening nine homes and a TVA transmission line on the West Brow of Lookout Mountain. The fire started Tuesday, apparently after embers from an illegal campfire blew off a rocky bluff into a wooded area below, according to local officials. <http://www.timesfreepress.com/news/local/story/2016/jul/14/lookout-mountain-wildfire-threatening-nine-homes-and-tva-line/375994/>

Puget Sound Energy to Shut 358 MW Colstrip Coal-Fired Unit 1 and 358 MW Coal-Fired Unit 2 in Montana by July 2022

Puget Sound Energy on Tuesday announced it has reached a settlement with the Sierra Club to dismiss all of the Clean Air Act allegations against the Colstrip Generating Station. As part of the settlement, PSE has agreed that it, along with Talen Energy, will retire the two oldest units at the Colstrip Generating Station in eastern Montana by no later than July 1, 2022. Colstrip Units 1 and 2 are more than 40 years old. PSE owns 50 percent of those two units, and independent power producer Talen Energy owns the remaining 50 percent. The settlement does not impact Units 3 and 4 at Colstrip, which are newer, have more capacity (about 1,500 megawatts of combined generation), and are more efficient.

<https://pse.com/aboutpse/PseNewsroom/NewsReleases/Pages/Colstrip-Owners-Settle-Lawsuit-in-Montana.aspx>

Petroleum

Magellan Midstream to Construct Pasadena Marine Terminal with 1 Million Barrels of Refined Products and Ethanol Storage in Texas by 2019

Magellan Midstream Partners, L.P. announced today its plans to construct a new high-capacity marine terminal along the Houston Ship Channel in Pasadena, Texas, which will handle refined petroleum products, including various grades of gasoline and diesel fuel, and renewable fuels. Supported by a long-term customer commitment, Magellan initially plans to build approximately 1 million barrels of refined products and ethanol storage, and a new marine dock capable of handling Panamax-sized ships or barges with up to a 40-foot draft. If warranted by additional demand, the new Pasadena facility could be expanded to include up to 10 million barrels of storage and up to 5 docks, including the potential for Aframax-sized vessels with drafts up to 45 feet. Magellan is also constructing a 36-inch pipeline between the partnership's existing Galena Park, Texas terminal and this new Pasadena terminal to enhance connectivity and distribution options for both facilities. In addition, Magellan is connecting its existing 18-inch Texas City-to-Pasadena pipeline to the new facility. Magellan is developing opportunities for additional connections to third-party refineries, pipelines, and terminals within the Gulf Coast region. Subject to receipt of necessary permits and regulatory approval, Magellan expects its new Pasadena terminal to be operational in early 2019.

<http://www.magellanlp.com/magellannews.aspx?id=640E8FED-6B4C-4C41-BF3B-F8835B2DB2C4>

CCR Unit Snag Leads to Flaring at PBF Energy's 182,200 b/d Delaware City, Delaware Refinery July 13

PBF Energy reported the intermittent release of sulfur dioxide at its Delaware City refinery on Wednesday was due to a problem at the continuous catalyst regenerator (CCR) unit, according to a filing with state regulators. Operators brought the release under control by Thursday, the filing said.

Reuters, 06:13 July 14, 2016

ExxonMobil Reports Normal Operations at Its 560,500 b/d Baytown, Texas Refinery July 13 after Watchdog Raises Questions about Hydrocracker

ExxonMobil said on Wednesday that operations at its Baytown refinery were normal despite reports from an industry watchdog, Genscape, which reported "significantly decreased furnace stack activity" at the 28,000 b/d hydrocracker.

Reuters, 17:25 July 13, 2016

Reuters, 15:45 July 13, 2016

Update: Hydrotreater, FCCU Remain Offline at PBF Energy's 149,500 b/d Torrance, California Refinery July 13 – Source

A hydrotreater and fluid catalytic cracking unit (FCCU) were still down on Wednesday evening at PBF Energy's newly acquired Torrance, California refinery, a source familiar with the matter said. PBF was in the process of restarting both units on Wednesday, but the attempts were unsuccessful due to a software changeover problem, the source added. Operators reported unplanned flaring on Monday, which impacts both units' operations. PBF said Wednesday that it had adequate product inventory and was supplying all of its customers.
Reuters, 19:55 July 13, 2016

U.S. Regulators Propose Information-Sharing Rule for Trains Hauling Crude Oil July 13

U.S. regulators on Wednesday proposed a rule that requires railroad operators to share information on shipments of crude oil with local governments and emergency responders. The rule proposed by the Transportation Department's Pipeline and Hazardous Materials Safety Administration and the Federal Railroad Administration would require railroads to provide monthly reports to state officials and emergency responders. In the reports, railroad operators would have to include estimates of the number of so-called high hazard flammable trains expected to travel through counties in states, and the routes for the trains. The rule will soon be published in the *Federal Register*, but it was not immediately clear when it was expected to be finalized.

Reuters, 17:50 July 13, 2016

<http://www.phmsa.dot.gov/hazmat/phmsa-proposes-new-safety-oil-spill-response-plans-and-information-sharing-for-high-hazard-flammable-trains>

Shell Reports LPG Compressor Station Suffers Fire in Louisiana July 14

Royal Dutch Shell said it suffered a fire on Thursday at a compressor station in Belle Rose, Louisiana that handles ethylene and propylene. Officials said the fire was being extinguished and that there were no reports of injuries.
Reuters, 15:35 July 14, 2016

Natural Gas

Update: Destin Increases MP261JP Delivery Option to 165 MMcf/d July 13; Enterprise's 1.5 Bcf/d Pascagoula Gas Processing Plant in Mississippi Remains Shut

Destin Pipeline said Wednesday that its MP261JP delivery option has increased to 165MMcf/d of receipt capacity, which will increase to a maximum of 210 MMcf/d as operations stabilize. Destin says it continues its work to complete piping modification at its MP260 offshore receipt platform, which is estimated to be completed and placed into service on July 24, 2016. Destin says it continues to offer an alternate delivery options for offshore gas transportation to VKGS and to the Williams 261JP platform. Destin said Enterprise Products Partners LP's Pascagoula gas processing plant remains unable to process natural gas after a fire at the facility on June 27, and that Enterprise has not provided any indication as to when operations may resume. On June 27, Destin declared a force majeure event due to Enterprise's inability to process gas at the plant and said it was unable to provide gas transportation service from all of its offshore receipt locations. The 225-mile Destin gas pipeline system can carry 1.2 Bcf/d from offshore producers to the Pascagoula plant, and then further north to interconnections with six major interstate gas transmission lines. Destin says onshore gas transportation service continues to be not impacted and normal operations continue.

Reuters, 19:41 July 13, 2016

AGI Compressor Shutdown Leads to Flaring at Regency's 290 MMcf/d Waha Gas Plant in Texas July 13

Regency reported the acid gas injection (AGI) compressor shut Wednesday morning on low suction pressure due to unstable inlet gas volumes, according to a filing with state regulators. Operators established adequate inlet gas volumes and then restarted the AGI compressor a few hours later.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=238634>

Other News

Nothing to report.

International News

Attackers Blow Up Natural Gas Pipeline in Southwest Nigeria July 12

A natural gas pipeline operated by Nigeria's state energy company in the southwestern Ogun state was attacked by men disguised as maintenance staff Tuesday night, according to local police. A spokesman for Ogun state police said the attack took place in the town of Ogijo. One line was damaged, while other lines were not affected. The pipeline supplies Lagos and other parts of southwest Nigeria.

Reuters, 12:07 July 14, 2016

Energy Prices

U.S. Oil and Gas Prices			
July 14, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	45.59	45.17	53.00
NATURAL GAS			
Henry Hub \$/Million Btu	2.81	2.75	2.88

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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