



ENERGY ASSURANCE DAILY

Thursday Evening, July 24, 2014

Electricity

Strong Storms Knock Out Power to Over 158,000 Customers in West South Central U.S. July 23

A strong line of thunderstorms with winds of 50 to 60 mph swept through Arkansas, Oklahoma, Texas, and Louisiana Wednesday, knocking out power to 158,694 customers. As of 3:30 p.m. EDT today, 34,620 customers remained without power. Southwestern Electric Power Co (SWEPCO), the hardest hit utility, said the majority of customers should have power restored by tomorrow with the hardest hit areas estimated to have power back by Monday. Oncor Texas said restoration efforts would continue into late tomorrow morning with the majority of the customers who can receive power being on no later than noon tomorrow.

West South Central Customer Power Outages			
July 23–24, 2014			
Electric Utility	State	Peak	Latest Reported
Southwestern Electric Power Co. (SWEPCO)	AR/LA/TX	69,000	19,079
Entergy Arkansas	AR	43,694	8,380
Oklahoma Gas and Electric	AR/OK	20,000	3,621
Oncor	TX	26,000	3,540
TOTAL*		158,694	34,620

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

Sources:

- <http://www.etrviewoutage.com/external/ar.aspx>
- <https://twitter.com/EntergyArk>
- <https://twitter.com/OGandE>
- <https://www.facebook.com/SWEPCO>
- <https://www.swepco.com/outages/>
- <http://public.oge.com/systemwatch/SystemWatch.swf?startMapID=1>
- <http://www.etrviewoutage.com/external/la.aspx>
- <http://stormcenter.oncor.com/default.html>
- <https://www.swepco.com/outages/details.aspx?stormName=SWEPCO+Storm+July+23%2c+2014>
- <http://5newsonline.com/2014/07/23/over-12000-without-power-in-washington-county-wednesday/>
- <http://www.arkansasmatters.com/story/d/story/thousands-without-power-due-to-storms/30369/vpIXkx2JEmzrZ1TQLpz8g>
- <http://www.ksla.com/story/26097803/swepco-70k-without-power-no-restoration-eta>
- http://www.tylerpaper.com/TP-Breaking/202816/over-10000-oncor-customers-without-power#.U9EP8_IdUSk
- <http://www.ketknbc.com/news/strong-storms-cause-power-outages-in-east-texas>

Severe Thunderstorms Knock Out Power to Over 66,000 Customers in Washington July 23

Severe thunderstorms moved across Washington on Wednesday, uprooting trees and knocking out power to 66,200 customers. Avista Utilities reported more than 39,000 customers were without power. Inland Power and Light and Kootenai Electric Cooperative reported 20,700 and 6,500 customers, respectively, lost power. As of 3:30 p.m. EDT today, 14,263 Avista Utilities customers, 8,271 Inland Power and Light, and 766 Kootenai Electric Cooperative customers remained without power. An Avista spokesperson said all available crews were dispatched but it was too early to know on Wednesday evening how soon power would be fully restored. Inland Power also said there was no estimated time of restoration for many of our outages as multiple trees have fallen into lines and some poles will need to be replaced.

- <http://www.kxly.com/news/spokane-news/thousands-without-power-following-storm/27122852>
- <http://www.spokesman.com/stories/2014/jul/24/powerful-punch/>

<https://twitter.com/avistautilities>
<https://www.avistautilities.com/safety/outages/layouts/avista/transactions/ViewOutages.aspx>
<http://outagecenter.inlandpower.com/outagecenterNEW.php>
<https://twitter.com/KootenaiEC>
<http://www.kec.com/content/power-outage-updates>
<http://www.kec.com/content/power-outage-updates>

Southern Co. Hopes to Build Additional Nuclear Power Plants

Southern Co. said it hopes to announce plans by the end of the year to build more nuclear reactors, a spokesman said late Wednesday. That makes Southern the first company to pursue new reactors since the U.S. Environmental Protection Agency announced plans earlier this year to reduce carbon emissions from existing power plants to 30 percent below 2005 levels by 2030. The company is already building two new 1,117 MW reactors at its Vogtle nuclear site in Georgia and is evaluating six possible sites for additional reactors, including existing plants and greenfield locations.

Reuters, 9:47 July 24, 2014

332 MW Unit 3 and 495 MW Unit 6 Shut at AES's Alamos Gas-fired Power Plant in California by July 23

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201407231515.html>

Petroleum

BNSF Train Carrying Crude Oil Derails in Washington July 24

A Burlington Northern Santa Fe (BNSF) train carrying crude oil derailed as it left a rail yard in north Seattle on Thursday, but there were no reports of a spill or injuries, BNSF said. Four railcars came off the tracks at around 2 a.m. PDT, three of which were carrying crude oil, BNSF said. The train originated in North Dakota and was bound for Tesoro Corp's 120,000 b/d Anacortes oil refinery, Tesoro confirmed. The rail cars that derailed were the CP-1232 model that meets the latest federal safety standards, BNSF said. The train is expected to be back on the track later on Thursday and the cause of the accident is under investigation.

Reuters, 12:08 July 24, 2014

U.S. Sells First Condensate in 40 Years to South Korea, Japan

South Korea and Japan have purchased the first condensate, or ultra-light oil, from the U.S. since the easing of a 40-year-old ban on U.S. crude oil exports, sources said on Thursday. The U.S. recently softened a total ban on crude oil exports in place since the Arab oil embargo of the 1970s, allowing energy companies to export a variety of ultra-light oil if it has been minimally refined. South Korean oil refiner GS Caltex bought a condensate cargo to be loaded in late July, three industry sources with knowledge of the matter said. The cargo was marketed by Japanese trading house Mitsui & Co Ltd, which had bought it from Enterprise Product Partners. Japanese refiner Cosmo Oil Co also bought a cargo of U.S. condensate, an industry source familiar with the matter said earlier on Thursday. The 300,000-barrel cargo will be loaded in August, and is set to arrive at Cosmo's 112,000 b/d Yokkaichi refinery in early October, the source said.

Reuters, 00:19 July 24, 2014

Motiva Cuts Production by 19,000 b/d at Its Port Arthur, Texas Refinery After Storms Impact CDU July 18

Motiva Enterprises cut back production by 19,000 b/d at its Port Arthur, Texas refinery since July 18 storms drenched the plant, sources familiar with refinery operations said on Thursday. The refinery, which has a rated production capacity of 600,250 b/d, according to the U.S. Energy Information Administration, had been running between 615,000 and 617,000 b/d since early July, the sources said. Following the storms, Motiva has throttled back production at the refinery to 598,000 b/d due to a malfunction on the refinery's second largest crude distillation unit, the sources said.

Reuters, 12:15 July 24, 2014

Pasadena Refining Shuts Unit at Its 100,000 b/d Pasadena, Texas Refinery July 23

Pasadena Refining System reported it was shutting down an unspecified unit due to an upset at its refinery in Pasadena, Texas, according to a message on a community information phone line on Wednesday. An unknown quantity of catalyst was released due to the incident, the message said, adding that there could be some visible flaring as the unit finishes shutdown procedures.

Reuters, 18:55 July 23, 2014

Tesoro Reports Unit Shutdown at Its 120,000 b/d Anacortes, Washington Refinery July 16

Tesoro Corp reported flaring with black smoke due to a process unit shutdown on July 16 at its Anacortes, Washington, refinery, according to a filing with the Northwest Clean Air Agency.

Reuters, 11:27 July 24, 2014

Tesoro Reports Operations Normal after Work at Its 166,000 b/d Martinez, California Refinery July 23

Tesoro Corp said it performed brief unplanned maintenance on an unspecified unit at its Golden Eagle refinery in Martinez, California and operations were running normally.

Reuters, 19:52 July 23, 2014

Natural Gas

Targa Reports Flaring at Its 150 MMcf/d Sand Hills Gas Plant in Texas July 21

Targa reported a malfunction of the suction pressure sensor at the acid gas compressor, C-14, caused the compressor recycle valve to open up and route gas that is usually injected into a disposal well to re-enter the compressor. This caused the pressure of the amine still and inlet to the emergency acid gas flare valve to rise. Adjustments were made to the acid gas compressor, C-14, so the recycle valve would close and reduce pressure on protected equipment and inlet flare valve. This caused the flaring to cease at the emergency acid gas flare, F-4.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=201298>

Other News

Nothing to report.

International News

Update: Libya's Oil Output at 500,000 b/d, Brega Port Remains Shut – NOC

Libya's national oil production rose to 500,000 b/d, but there is still no progress on reopening Brega oil port after an agreement to end a protest there, a spokesman for state-run National Oil Corporation (NOC) said on Thursday.

Reuters, 4:20 July 24, 2014

Militia Attack Fuel Tanks Near Libyan Airport

Fuel storage tanks that supply Tripoli were hit on Wednesday in clashes between rival Libyan militias, igniting a huge blaze near the international airport. Firefighters used foam spray to douse the flames at the fuel storage facility, bringing the fire under control. Officials said only a semi-full tank had been hit by a shell.

http://www.downstreamtoday.com/news/article.aspx?a_id=43938

Update: Yemen Resumes Oil Flow on Maarib Pipeline after Repair July 24

Yemen resumed pumping crude oil through its main export pipeline on Thursday, an oil official said, after repairs took place under army protection. On July 12, tribesmen blew up the pipeline in the Serwah area of the central Maarib province, halting crude flows. Engineers, working under army guard, managed to repair the pipeline and a local oil official said pumping resumed on Thursday. The Maarib pipeline carries around 70,000–110,000 b/d of Marib light crude from the Safer oilfields to the Ras Isa oil terminal on the Red Sea, officials said. It was repaired in late May after a previous attack by tribesmen.

<http://www.trust.org/item/20140724124324-oj7na>

Slovakia Says Work on Gas Link to Ukraine on Schedule

Construction work on a pipeline that will allow gas to be sent from western Europe to Ukraine is on schedule and the contracted capacity will be available from September 1, Slovak pipeline operator Eustream said on Thursday. Ukraine uses about 50 billion cubic metres (bcm) of gas a year and has increased efforts to secure more gas from the European Union after Russian producer Gazprom raised prices for supplies to Ukraine. Russia covered half of Ukraine's gas needs last year but halted supplies on June 16 over the price disagreements and Kiev's outstanding debt for earlier deliveries. The Slovak pipeline – an upgraded older link leading from the Vojany power station near the Ukrainian border to the western Ukrainian town of Uzhorod – can supply up to 10 bcm of gas a year and an Eustream spokesman said this capacity would be available on an interruptible basis from September and on a firm basis from March 2015. Testing of the pipeline will start in late August, the company said, adding that full capacity was booked until 2019.

http://www.rigzone.com/news/oil_gas/a/134201/Slovakia_Says_Work_on_Gas_Link_to_Ukraine_on_Schedule#sthash.2p5UkKwA.dpuf

Energy Prices

U.S. Oil and Gas Prices			
July 24, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	102.99	102.69	105.23
NATURAL GAS Henry Hub \$/Million Btu	3.79	4.10	3.68

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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