



ENERGY ASSURANCE DAILY

Monday Evening, August 08, 2016

Electricity

Lightning Strike Knocks Out Power to Over 127,000 Public Service of New Mexico Customers August 7

Public Service of New Mexico (PNM) on Sunday reported at least 127,205 customers were without power in New Mexico. The Albuquerque Fire Department attributed the outage to a lightning strike on a PNM transfer station at 7:50 p.m. MDT Sunday. The fire was easily and quickly contained, consisting mostly of scrub brush and bushes, the Fire Department said. PNM said the lightning strike took out about one-third of their power system. By 11 p.m. MDT Sunday, all customers had power restored.

<https://www.facebook.com/PNMelectric>

<http://www.kob.com/albuquerque-news/pnm-outages-across-albuquerque/4226002/>

BC Hydro Reports 50,000 Customers Briefly without Power in British Columbia Due to Transmission Failure August 5

BC Hydro on Friday afternoon reported 50,000 customers were without power for nearly one hour in northwestern British Columbia. The utility said it suspects a lightning strike on its big 500 kV line that runs from Prince George to Prince Rupert tripped one of the protection devices on that line. BC Hydro's control center in the Lower Mainland was able to restore the line but power had to be returned gradually in order to avoid overloading the system, according to a spokesperson.

<http://www.cbc.ca/news/canada/british-columbia/power-restored-in-most-of-northwestern-b-c-1.3709893>

Storms Knock Out Power to 16,000 Johnson City Power Board Customers in Tennessee August 7

The Johnson City Power Board on Sunday afternoon reported 16,000 customers were without power after its Northwest primary substation was hit by lightning, causing a breaker to open. The blown Northwest substation provides power to Broadway, Barnes, Dodson, Taylor, and Piney Flats. Nearly all customers had their power restored by mid-afternoon.

<https://www.facebook.com/JCPowerBoard/?ref=ts>

<https://css.jcpb.com/woViewer/mapviewer.html?config=Outage+Web+Map>

Sempra's 155 MW Copper Mountain Solar Unit in California Shut by August 7

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201608071515.html>

PG&E's 154 MW Kerkhoff Hydro Unit 1 in California Reduced by August 7

The unit entered an unplanned curtailment of 149 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201608071515.html>

Calpine's 620 MW Russell City Gas-fired Unit in California Reduced by August 6

The unit entered an unplanned curtailment of 321 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201608061515.html>

Update: AES's 332 MW Alamitos Gas-fired Unit 3 in California Returns to Service by August 5

The unit returned from an unplanned outage that began on July 29.

<http://content.caiso.com/unitstatus/data/unitstatus201608051515.html>

Update: Solar Partners VIII's 133 MW Ivanpah Solar Unit 3 in California Returns to Service by August 5

The unit returned from an unplanned outage that began on August 2.
<http://content.aiso.com/unitstatus/data/unitstatus201608051515.html>

Update: PG&E's 1150 MW Diablo Canyon Unit 2 in California Returns to Service by August 5

The unit returned from an unplanned curtailment of 355 MW that began on August 4.
<http://content.aiso.com/unitstatus/data/unitstatus201608051515.html>

Update: ERCOT Says Texas Power Demand to Hit Record Highs as Heat Wave Continues August 8

The Electric Reliability Council of Texas (ERCOT), which operates the grid in most of the state, on Monday said demand for electricity is expected to reach all-time highs this week as a heat wave continues to hit the state. The system has enough power supplies to meet demand barring any significant power plant or transmission line outages, according to ERCOT. ERCOT forecast demand would reach 69,982 MW on Monday, topping the grid's all-time high of 69,877 MW set on August 10, 2015. The highest peak so far in 2016 was 68,800 MW on August 3. ERCOT forecast demand would remain high for the rest of the week, with the peak expected to reach a new record high of 70,230 MW on Tuesday, 69,880 MW on Wednesday, 70,178 MW on Thursday, and 69,603 MW on Friday.
http://www.ercot.com/content/cdr/html/20160808_actual_loads_of_weather_zones
Reuters, 11:08 August 8, 2016

Petroleum

Update: Valero Restarts Hydrogen Plant at Its 190,000 b/d Memphis, Tennessee Refinery August 8 – Sources

Valero Energy Corp returned a hydrogen plant to normal operations at its Memphis, Tennessee refinery after a weekend restart that followed repairs to the unit's boiler, sources familiar with plant operations said on Monday. The hydrogen plant was shut by a boiler outage on July 31.
Reuters, 14:33 August 8, 2016

Update: BP Increasing Reformer Production at Its 413,500 b/d Whiting, Indiana Refinery August 8 – Sources

BP Plc on Monday was working to return the 60,000 b/d reformer to full production at its Whiting, Indiana refinery, sources familiar with plant operations said. Gasoline production from the refinery has increased as the reformer's restart continues, the sources said. The refinery was also working to resume normal operation at the wastewater plant, which caused higher-than-permitted discharges of sediment into Lake Michigan last week. Production on the reformer was curtailed over the July 30 weekend for repairs, according to sources. The reformer failed to function at expected levels since completing a 10-week overhaul in mid-June.
Reuters, 12:52 August 8, 2016
Reuters, 10:58 August 1, 2016

Marathon Reports Worker Injured by Electric Shock at Its 459,000 b/d Galveston Bay, Texas Refinery August 7

Marathon Petroleum Corp reported a contract worker was injured by an electric shock on Sunday while working on a coking unit at its Galveston Bay refinery in Texas City, Texas. Marathon shut the coking complex and two hydrotreating units in July for planned work which is expected to continue through the middle of August. The contractor was injured while working on the 13,500 b/d Coker C unit in the coking complex, sources said. The 13,500 b/d Coker B unit is also shut down.
Reuters, 12:45 August 8, 2016

Valero Reports Process Unit Upset at Its 335,000 b/d Port Arthur, Texas Refinery August 7

Valero Energy Corp reported a process unit upset resulted in excess emissions at its Port Arthur, Texas refinery on Sunday, according to a filing with the Texas Commission on Environmental Quality.
Reuters, 10:57 August 8, 2016

LOOP LLC Announces Commissioning of 1 Million Barrel Crude Capacity in Louisiana August 8

LOOP on Monday announced the early commissioning of services on 3 new above ground crude oil tanks located at its Clovelly Hub in Louisiana. Each tank is capable of accommodating over 355,000 barrels of crude oil for customers at the Hub. The tanks include electronic level controls, fire detection equipment, advanced security surveillance, and around the clock operational monitoring. When the entire project is completed in April 2017, seven new tanks totaling 2.5 million barrels of capacity will be online.

<https://www.loopllc.com/Announcements/Announcements>

Welspun Awarded Contract for 200,000 b/d Diamond Pipeline from Oklahoma to Tennessee

Welspun Tubular announced it received a \$47 million order to help build a 440-mile pipeline that will carry oil from Cushing, Oklahoma, to Memphis, Tennessee. Welspun and Diamond Pipeline LLC said the order accounts for approximately two-thirds of the pipe needed to build the Diamond Pipeline. The pipeline will be capable of transporting 200,000 b/d of domestic crude oil from the storage hub in Cushing to Valero's 190,000 b/d Memphis refinery. Diamond Pipeline LLC is a joint venture between Plains All American Pipeline and Valero. The pipeline is expected to be complete in 2017.

<http://www.diamondpipelinellc.com/>

Reuters, 15:01 August 8, 2016

U.S. Oil Drillers Add Rigs for Sixth Consecutive Week August 5 – Baker Hughes

U.S. drillers added oil rigs for a sixth consecutive week, according to a Baker Hughes report on Friday. Drillers added seven oil rigs in the week to August 5, bringing the total rig count up to 381, compared with 670 a year ago, the report said. Energy firms continued to add most rigs in the Permian shale in west Texas and eastern New Mexico. They activated five rigs there this week, bringing the total to 177, the most since February and 34 percent over recent lows in April.

http://www.rigzone.com/news/oil_gas/a/146050/US_Oil_Drillers_Add_Rigs_For_Sixth_Week_In_A_Row

Venezuela's Crude Oil Sales to U.S. Increase to 817,806 b/d in July

Venezuelan crude oil sales to the U.S. increased to 817,806 b/d in July, the highest level since November 2015, due to larger exports of grades produced in the Orinoco Belt, according to Thomson Reuters trade flows data.

Venezuela's July shipments to the U.S. were 25 percent higher than in June and 12 percent more than in July 2015. Falling output and delays at Venezuela's main oil port had kept exports low in recent months. The U.S. received 50 crude cargoes from state-run oil firm PDVSA and its joint ventures in July, versus 39 the previous month. Valero Energy was the largest recipient, followed by PDVSA refining unit Citgo Petroleum, Phillips 66, and Chevron Corp.

http://www.downstreamtoday.com/news/article.aspx?a_id=53065

Natural Gas

Enbridge Reports AGI Offline at Its 150 MMcf/d Tilden Gas Plant in Texas August 5

Enbridge reported a contractor deactivated the wrong fuse causing the acid gas injector (AGI) to go offline. All gas was routed to the flare to curtail emissions and flow and process were adjusted to minimize downtime.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=240930>

ExxonMobil Reports Unit Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas August 5

ExxonMobil reported the Wauk-3 unit shut on low engine jacket water pressure. Antifreeze was found to be leaking and field specialists shut in wells. The event was ongoing.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=240933>

Other News

Nothing to report.

Libya Starts Work at Es Sider Oil Port to Increase Output

Libya has started maintenance work at Es Sider port, the nation's largest oil export terminal with export capacity of 340,000 b/d, as part of plans to increase output. Exports should resume in a month once official orders are received to reopen the port, the head of operations at Waha Oil Co. said on Sunday. Es Sider, operated by Waha Oil, has been closed since December 2014 when armed groups attacked the port. The state National Oil Corp. said it has engineers and other workers at the port to evaluate damages and decide when to resume exports. Libya pumped 300,000 b/d of oil in July, compared with as much as 1.78 million b/d in 2008, three years before a revolt led to the overthrow of the Qaddafi regime, according to data compiled by Bloomberg.

<http://www.bloomberg.com/news/articles/2016-08-07/libya-starts-work-at-biggest-oil-port-in-step-to-increase-output>

Kenya Hit by Country-wide Electricity Outage August 6

Most of Kenya was hit by a blackout on Saturday due to a fault on a major transmission line serving the capital Nairobi, electricity distributor Kenya Power said. Supply was restored later in the day to all major regions including the capital Nairobi, West Kenya, North Rift, South Nyanza, and the Coast area, the company's spokesman said. Blackouts are common in Kenya due in part to an aging energy network and insufficient generation capacity.

Reuters, 7:39 August 6, 2016

Energy Prices

U.S. Oil and Gas Prices			
August 8, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	43.01	40.00	43.82
\$/Barrel			
NATURAL GAS			
Henry Hub	2.85	2.94	2.76
\$/Million Btu			

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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