



ENERGY ASSURANCE DAILY

Tuesday Evening, August 13, 2013

Electricity

White House Council of Economic Advisors and U.S. Department of Energy Release Report on Economic Benefits Of Increasing Electric Grid Resilience to Weather Outages

A new report from the White House Council of Economic Advisers and the Energy Department evaluates the economic cost of power outages and calls for increased cross-sector investment to make the electric grid more resilient in the face of increasingly severe weather events due to climate change. The report provides new estimates of the annual cost of power outages caused by weather. Between 2003 and 2012, weather-related outages are estimated to have cost the U.S. economy an inflation-adjusted annual average of \$18 billion to \$33 billion. Annual costs fluctuate significantly and are greatest in the years of major storms such as Hurricane Ike in 2008, a year in which cost estimates range from \$40 billion to \$75 billion, and Superstorm Sandy in 2012, a year in which cost estimates range from \$27 billion to \$52 billion. The report also identifies strategies for modernizing the grid to better prevent power outages, including working with utilities to harden their infrastructure against wind and flood damage, increasing overall robustness of the grid, and supporting implementation of 21st century technologies that can quickly alert utilities when consumers experience a power outage.

<http://energy.gov/articles/protecting-electric-grid-increasingly-severe-weather-due-climate-change>

http://energy.gov/sites/prod/files/2013/08/f2/Grid%20Resiliency%20Report_FINAL.pdf

Constellation's 825 MW Calvert Cliffs Nuclear Unit 1 in Maryland Reduced to 81 Percent by August 13

On the morning of August 12 the unit was operating at full power, according to the Nuclear Regulatory Commission.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

AES's 336 MW Alamosa Gas-fired Unit in California Shut by August 12

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201308121515.html>

Petroleum

Enterprise's 40,000 b/d Ethane and Propane Pipeline Lateral in Illinois Shut After Fire August 13

Enterprise Product Partners LP reported a 10-inch, 40,000 b/d pipeline lateral in Illinois carrying ethane and propane was shut on Tuesday after a fire broke out in a cornfield because of a rupture. The pipeline carries product to Enterprise's petrochemical customers in Morris, Illinois. The fire is out and according to a spokesperson, there was no estimate yet when the lateral will reopen.

Reuters, 12:01 August 13, 2013

Valero's 310,000 b/d Port Arthur, Texas Refinery Running at Reduced Rates August 13

Valero Energy Corp.'s reported its Port Arthur, Texas, refinery is running crude and vacuum units at reduced rates. Earlier, the company said power had been restored to the refinery and all units were operational after a problem Tuesday morning in the storage tank area of the plant. Energy intelligence group Genscape reported that the refinery's 75,000 b/d crude distillation unit (CDU) and associated vacuum distillation unit (VDU) were shut down at 6:44 a.m. EDT.

Reuters, 10:39 August 13, 2013

Unit Shut Due to Operational Upset at Shell's 600,000 b/d Motiva Port Arthur, Texas Refinery August 12

Royal Dutch Shell Plc reported its Motiva refinery in Port Arthur, Texas, initiated a shutdown of an unspecified unit following an operational upset on Monday. Motiva Enterprises LLC earlier reported an upset with a sulfur recovery unit (SRU) at the refinery, according to a filing with the U.S. National Response Center.

Reuters, 10:50 August 13, 2013

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1056858

SRU Restarted at Total's 174,000 b/d Port Arthur, Texas Refinery August 13

Total Petrochemicals USA restarted Unit 881, a sulfur recovery unit (SRU), at its Port Arthur, Texas, refinery after it was shut on Monday, according to a filing with state pollution regulators.

Reuters, 11:49 August 13, 2013

Phillips 66 Reports Emissions, Process Upset at its 146,000 b/d Borger, Texas Refinery August 12

Phillips 66 reported a process upset and emissions from the unit 34 sulfur recovery unit (SRU) at its refinery in Borger, Texas, according to a filing with the Texas Commission on Environmental Quality. The company reported maintenance on Sunday on electrostatic precipitators serving the fluidic catalytic cracking unit (FCCU) at the refinery, according to a notice filed with state pollution regulators.

Reuters, 19:00 August 12, 2013

Natural Gas

Update: 12-Inch DCP Pelico Pipeline in Louisiana Will Return to Service Soon After Rupture on August 9

According to a DCP Midstream LLC spokesperson, a 12-inch natural gas pipeline that ruptured over the weekend near Vernon, Louisiana will return to service within a few days. The company was investigating the cause of the failure of the 4 MMcf/d pipeline, which is part of the company's Pelico pipeline system,

Reuters, 11:19 August 13, 2013

Blue Racer Midstream Takes Over 200 MMcf/d Natrium Gas Processing and Fractionation Plant Serving the Marcellus and Utica Shale Plays August 12

Blue Racer Midstream, LLC announced today that the company is now the owner and operator of the Natrium Natural Gas Processing and Fractionation Plant. The Natrium facility is located in Marshall County, West Virginia, and currently serves production from both the Marcellus and Utica Shale plays. Future expansions to the plant's capacity are underway in response to the critical need for processing services in the Utica Shale. With cryogenic processing capacity of 200 MMcf/d already online, Blue Racer has started construction of a second 200 MMcf/d cryogenic processing plant. Natrium II will bring the facility's total processing capacity to 400 MMcf/d by the end of the first quarter of 2014. Current liquids fractionation capacity at Natrium is 36,000 b/d. Blue Racer has initiated plans to increase fractionation capacity to at least 59,000 b/d as drilling activity in the Utica expands.

<http://www.caimanenergy.com/news/blue-racer-midstream-takes-over-natrium-gas-processing-and-fractionation-plant-serving>

Flaring Due to Amine Malfunction Reported at Upton's 112 MMcf/d Benedum Gas Plant in Texas August 11

Upton reported the amine system malfunctioned at its Benedum gas plant causing a loss of flow of amine into the site's amine contactor. The amine pumps cavitated losing flow which resulted in loss of amine flow. The gas streams were automatically rerouted to an emergency flare. The amine pump was restarted, the amine unit was stabilized, the residue gas returned to on spec requirements, but due to shut in residue gas pipelines, the facility had to flare its residue gas. After several hours, both pipelines which Benedum Gas Plant feeds sales residue gas into, were reopened.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=186647>

Enbridge Reports AGI Units Shut at Its Tilden Gas Plant in Texas August 12

Enbridge Inc. reported the main electrical breaker was faulty and required replacement at its Tilden gas plant. All gas was curtailed then the 400 gpm plant and both acid gas injectors (AGIs) were shut down. When the new electrical breaker was installed, the 400 gpm plant was restarted and AGI no. 1 was restarted when gas flow was established. Later that evening, AGI no. 2 was restarted when gas flow through the W/K train was established.
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=186651>

Other News

Nothing to report.

International News

Update: Strikes Prevent Libya from Issuing September Oil Export Plans

Libya told its customers on Tuesday it may not be able to ensure crude deliveries next month as strikes halted production at its major sea terminals. Output has been cut to 300,000-500,000 b/d, compared with 1.3 million b/d in June. Libya's state National Oil Corp. (NOC) said in a statement it could provide no September loading schedules, normally sent to contract buyers of its crude by this time of the month and that the September schedules "will be modified, not cancelled...because of the current sit-ins at ports and fields." Striking security guards on Monday again shut the country's two biggest crude export terminals, Ras Lanuf and Es Sider, shortly after they had reopened from a two-week stoppage. The deputy oil minister said late on Monday that exports from Es Sider could resume on Thursday, once some output from associated oilfields restarted and a new schedule was made, but the NOC statement admitted firm undertakings for September were not yet possible.
Reuters, 11:46 August 13, 2013

Bombing on Iraq's Kirkuk-Ceyhan Pipeline Halts Oil Flow to Turkey August 13 – Iraqi Officials

A bomb attack early Tuesday halted oil flow through the Kirkuk-Ceyhan pipeline linking Iraq to Turkey, Iraqi oil officials said. The attack halted exports via the pipeline, a senior official from the North Oil Company said, adding that production was still continuing, but the oil was being stored. Repairing the pipeline is expected to take between one and three days, the official said.
Reuters, 5:00 August 13, 2013
<http://timesofindia.indiatimes.com/world/middle-east/Nine-killed-in-Iraq-violence-as-oil-pipeline-bombed/articleshow/21800863.cms>

Energy Prices

U.S. Oil and Gas Prices			
August 13, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	105.94	105.37	92.27
\$/Barrel			
NATURAL GAS			
Henry Hub	3.34	3.33	2.84
\$/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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