



ENERGY ASSURANCE DAILY

Thursday Evening, August 20, 2015

Electricity

Thunderstorms Knock Out Power to Over 24,000 Customers in Texas August 20

Heavy thunderstorms knocked out power to 23,600 AEP and 1,178 Magic Valley Electric Coop customers across the Rio Grande Valley in Texas on Thursday morning. Lightning hit trees, utility poles, and structures throughout Hidalgo County, according to reports submitted by the Sheriff's Office. As of 3:30 p.m. EDT Thursday, 6,316 AEP and 899 Magic Valley Electric Coop customers remained without power.

<https://www.aeptexas.com/outages/outageMap.aspx>

<http://www.magicvalley.coop/map/outage>

<http://www.krgv.com/news/local-news/overnight-storms-lead-to-flooding-power-outages/34818536>

<http://www.valleycentral.com/news/story.aspx?id=1244377#.VdXzAvlViko>

Power Restored to Over 19,000 Horry Electric Customers after Loss of Transmission from Santee Cooper in South Carolina August 19

Power was restored to 19,091 Horry Electric Cooperative customers from the Burgess, Island Green, Socastee, Lake Ridge, and Jones Road substations after a brief outage Wednesday afternoon. Horry Electric said the power outage began at 1:00 p.m. EDT, and restoration of power was completed just after 1:30 p.m. EDT. The utility said the outage was due to a loss of transmission from the Santee Cooper substation.

https://www.facebook.com/permalink.php?story_fbid=10154124685242538&id=77182677537

<http://wbtw.com/2015/08/19/thousands-of-horry-electric-customers-without-power/>

Update: Exelon's 1,111 MW La Salle Nuclear Unit 2 in Illinois at Full Power by August 20

On the morning of August 19 the unit was operating at 91 percent after restarting and ramping up to 2 percent on August 13. Exelon reported that pressure boundary leakage on a welded vent line joint led to degraded conditions, which shut the unit from 10 percent on August 7.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150810en.html>

Update: Watson Cogeneration's 417 MW Gas-fired Unit in California Returns to Service by August 19

The unit returned from an unplanned curtailment of 235 MW that began on August 13.

<http://content.aiso.com/unitstatus/data/unitstatus201508191515.html>

Desert Sunlight's 250 MW Solar Unit in California Shut by August 19

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201508191515.html>

Fire Reported at US Operating Services Company's 395 MW Indiantown Cogeneration Facility in Florida August 8

Two people were injured Tuesday morning after a fire was reported in a generator room at the Indiantown facility, a Martin County Fire Rescue spokesman said. The fire started after an electrical arc flash occurred in a motor control center around 8:40 a.m. EDT, according to fire officials. The facility is out of service while officials investigate the equipment to determine the cause of the electrical arc flash.

<http://www.wpbfl.com/news/1-person-critically-burned-in-fire-at-fpl-solar-plant-martin-county/34777496>

Valero Reports Fire Due to Lightning Strike at Its 225,000 b/d Texas City, Texas Refinery August 20

Valero Energy Corp said that a lightning strike on Thursday morning sparked a fire within a transformer that serves its Texas City refinery. A plume of black smoke could be seen from the burning transformer oil, according to a statement issued by the Texas City Emergency Management. A spokesman said there was flaring at the plant and refinery personnel were conducting fence line air monitoring, but no impact to the community was expected. The company did not specify whether there was any impact on refinery operations.

Reuters, 8:50 August 20, 2015

Tesoro Reports Partial Unit Shutdown, Flange Leak at Its 166,000 b/d Martinez, California Refinery August 15

Reuters, 18:54 August 19, 2015

Alberta Energy Regulator Investigating 629 Barrel Leak on NuVista Pipeline August 19

Alberta Energy Regulator (AER) said on Wednesday that it was investigating a leak on a NuVista Energy pipeline in northern Alberta that spilled 629 barrels of oil, water, and natural gas emulsion. The leak on the pipeline, 30 miles northeast of Rainbow Lake, was first identified by a helicopter crew during an aerial surveillance flight on Friday. After the spill was identified, NuVista shut in the line and commenced clean-up efforts, according to the director of public affairs at AER. AER staff were on site investigating the spill and there was no impact to wildlife reported. Special equipment will be used to skim off any contaminated fluid and an investigation into the cause of the spill was ongoing.

Reuters, 17:45 August 19, 2015

Record Low Interest in BOEM's Gulf of Mexico Oil, Gas Drilling Leases Amid Oil Price Slump

A U.S. government sale of oil and gas drilling leases in the western Gulf of Mexico attracted the lowest number of bids on record on Wednesday as slumping oil prices kept producers from plowing money into expensive offshore prospects. The yearly sale, held by the Bureau of Ocean Energy Management (BOEM), attracted \$22.7 million in high bids, the smallest in the western Gulf since 1983 and just one fifth of the value of last year's offers. The continuing drop in oil prices and low natural gas prices affect industry's short-term investment decisions, BOEM's Director said, also stressing the long term potential of Gulf of Mexico oil and gas production. U.S. oil prices have slumped over the past year due to oversupply, from over \$107 a barrel in June 2014 to \$40 on Wednesday, denting oil producers' profits and leading to thousands of industry job cuts. Even cheaper onshore developments have stalled as companies reassess their yearly budgets. In Wednesday's sale, five companies submitted 33 bids on 33 tracts covering 190,080 acres in the western region, BOEM said.

http://www.rigzone.com/news/oil_gas/a/140190/Record_Low_Interest_In_US_Gulf_Of_Mexico_Leases_Amid_Oil_Price_Slump#sthash.c15McrN1.dpuf

<http://www.boem.gov/press08192015/>

Marathon May Move Away from Refineries to Add Alkylate Capacity

Marathon Petroleum Corp is seeking alkylate for high-octane gasoline in the natural gas fields of eastern Ohio rather than relying solely on refinery production. Marathon hopes to create an alkylate hub for Midwest and Northeast markets where an abundance of its main component, butane, is produced. Marathon and MarkWest envision stand-alone alkylate infrastructure, more than 60 miles from the nearest refinery, at MarkWest's NGL fractionation complex in eastern Ohio. U.S. government data shows that domestic gasoline demand is up more than 8 percent compared to last year as pump prices plunged alongside global crude prices. Even if a price rebound were to occur, Marathon still expects sales of premium, high-octane fuels to increase as auto manufacturers build more high-compression engines to meet more stringent U.S. Corporate Average Fuel Economy (CAFE) standards through 2025.

Reuters, 15:14 August 19, 2015

Natural Gas

Gas Explosion Partially Levels Washington Motel – August 18

A Motel 6 in Bremerton, Washington was partially leveled due to a gas explosion on Tuesday evening that severely injured a Cascade Natural Gas employee. Police said that the motel had been evacuated about 30 minutes before the gas explosion, but two hotel guests were reported as unaccounted for. The cause for the blast had not yet been determined.

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

<http://www.nts.gov/news/press-releases/Pages/PR20150819c.aspx>

Reuters, 18:00 August 19, 2015

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas August 19

Regency reported the inlet compressor shut on low suction causing the acid gas injector (AGI) compressor to shut due to low inlet volumes. The inlet compressor was restarted, adequate inlet volumes were established, and the AGI compressor was reset and restarted.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=219047>

Southern Star and NextEra Energy Announce Binding Open Season for Its 1.2 Million Dth/d Sooner Trails Pipeline in Oklahoma, Texas August 20

Southern Star Central Corp. and NextEra US Gas Assets, LLC, an indirect, wholly owned subsidiary of NextEra Energy, Inc. today announced the commencement of a binding open season for the Sooner Trails Pipeline project, which is expected to connect new receipt points in Kingfisher, Canadian, Grady, Stephens, Garvin, Carter, and Bryan Counties in Oklahoma to interstate and intrastate pipeline markets in Bryan County, Oklahoma and Lamar County, Texas. Subject to Federal Energy Regulatory Commission (FERC) approval, the approximately 250 mile Sooner Trails Pipeline project will extend from Kingfisher County, Oklahoma and travel southeast to its primary delivery point in Lamar County, Texas with the development of the Lamar Hub. The Sooner Trails Pipeline is expected to provide up to 1.2 million dekatherms per day (Dth/d) and offer timely, cost-effective access to natural gas for expanding local distribution companies, industrial users, natural gas fired generation, and other regional demands.

<http://www.nexteraenergy.com/news/contents/2015/082015.shtml>

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
August 20, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	40.95	42.22	95.23
NATURAL GAS Henry Hub \$/Million Btu	2.73	2.91	3.84

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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