



# ENERGY ASSURANCE DAILY

Monday Evening, August 29, 2016

## ***Major Developments***

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### **Update: BSEE Estimates 11.5 Percent of Total Oil Production, 5.5 Percent of Total Gas Production Shut-In in Gulf of Mexico August 29; Companies Evacuate Staff**

BSEE estimated that as of 2:00 p.m. EDT Monday, 168,334 b/d of total oil production (11.5 percent) and 190 MMcf/d (5.5 percent) of total gas production in the Gulf of Mexico has been shut-in due to Tropical Depression Nine. Anadarko Petroleum on Monday said it had evacuated all non-essential personnel from its production platforms in the eastern Gulf of Mexico, ahead of the storm threat. The evacuations affected the company's Constitution, Marco Polo, Independence Hub, and Heidelberg facilities, a spokesman said. Operations remain normal across Anadarko's platforms, but the company said it was monitoring the weather and was prepared to remove remaining personnel and shut in production if needed. Separately, Transocean on Monday said it was preparing to move two rigs in preparation for the storm. Royal Dutch Shell said on Friday it started securing facilities and evacuating non-essential personnel from drilling rigs and platforms in the Gulf as a precaution against the storm threat. Shell suspended drilling operations on Friday but production remains unaffected. Shell said it was "limiting the amount of personnel offshore to those directly involved in core activities essential to maintaining safe operations." BP on Friday said it was also evacuating non-essential personnel from the Gulf as a precaution. BHP Billiton on Monday said it had evacuated some non-essential personnel from the Gulf as a precaution. Destin on Sunday said all personnel were scheduled to be evacuated by early afternoon on Monday, including the MP 260 platform, as it moves into Phase 3 of its Severe Weather Contingency Plan. Prior to the departure of the remaining staff at MP 260, Destin receipts from the Okeanos Gas Gathering System, Marlin and Horn Mountain receipt points will be shut in with no transportation services to VKGS. Transportation service to Destin's 24-inch lateral continues to be available for deliveries to MP 261JP. The 24-inch lateral will remain isolated from MP 260. Destin's ability to flow on the 24-inch lateral will be dependent on downstream operations. According to the National Hurricane Center, Invest 99L developed into Tropical Depression Nine Sunday evening as it passed through Cuba. On Monday, the storm was centered about 195 miles southwest of Key West, Florida, moving 5 mph. Maximum sustained winds near 35 mph were reported and the depression is forecast to become a tropical storm by Tuesday. The storm is projected to take a turn northeastward towards Florida on Wednesday. Total rain accumulations of 3 to 7 inches are possible over much of the Florida peninsula through Thursday. Isolated maximum amounts of 10 inches are possible along the west coast of Florida from Naples to Steinhatchee. Rainfall may cause flooding and flash floods.

Reuters, 12:51 August 29, 2016

Reuters, 21:34 August 26, 2016

<http://www.nhc.noaa.gov/#NINE>

<https://bp.trellisenergy.com/ptms/public/infopost/viewNotices.do?noticeCategoryId=308201&tspId=1&proxyTspId=1&menuId=menu-info-posting-notices-critical&menuId=menu-info-posting-notices-critical>

<https://www.bsee.gov/newsroom/latest-news/statements-and-releases/press-releases/bsee-tropical-depression-no-9-activity>

<http://www.argusmedia.com/news/article/?id=1302017>

## Storm Watch

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### Hurricanes Madeline and Lester Target Hawaii

Hurricane Madeline, the closer of two hurricanes moving towards Hawaii, is located about 695 miles east of Hilo on the Big Island. Maximum sustained winds are reported up to 100 mph, with hurricane-force winds extending outward up to 25 miles from the center and tropical-storm-force winds extending outward up to 90 miles. The hurricane continues to move westward at 10 mph. Hurricane Lester, 1,290 miles off the southern tip of Baja California, is moving westward at 15 mph. Maximum sustained winds are near 125 mph. The category 3 hurricane is expected to strengthen through this evening, with a weakening trend beginning on Tuesday. Hurricane-force winds extend outward up to 25 miles from the center and tropical-storm-force winds extend outward up to 105 miles. There are no coastal watches or warnings in effect for Hawaii at the moment. Interests in the Hawaiian Islands should monitor the progress of Madeline and Lester.

<http://www.nhc.noaa.gov/>

### Tropical Storm Warning Issued for North Carolina Coast as Tropical Depression Eight Approaches August 29

A Tropical Storm Warning has been issued for the coast of North Carolina from Cape Lookout to Oregon Inlet. Tropical Depression Eight is located about 140 miles southeast of Cape Hatteras, North Carolina, moving northwest at 6 mph, and with maximum sustained winds of 35 mph. The storm is forecast to head northwards on Tuesday. On the forecast track, the center of the depression will be near the Outer Banks of North Carolina late Tuesday. Slow strengthening is forecast during the next 48 hours, and the depression is expected to become a tropical storm by early Tuesday. The depression is expected to produce total rain accumulations of 1 to 3 inches with isolated maximum amounts of 5 inches over far eastern North Carolina, including the Outer Banks. Interests along the North Carolina coast should monitor the progress of the depression. Additional watches or warnings may be required later today.

<http://www.nhc.noaa.gov/>

## Electricity

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### Strong Storms Knock Out Power to Over 66,000 Customers in Ohio August 26–29

Severe weather producing multiple storms moved across Ohio over the weekend knocking out power to at least 66,853 customers starting Friday night and continuing into Sunday evening. Utility crews worked around the clock making repairs caused by downed trees and powerlines. As of 3:30 p.m. EDT Monday, 3,313 customers remained without power. Dayton Power and Light, the hardest hit utility with at least 43,000 customer outages, said it expects full restoration by Monday night. The table below shows total affected customers and the latest reported outages by utility. The “Affected” column shows the total count of customers that lost power at one point or another over the course of the storm for each utility. These outages may not have occurred concurrently and are not the same as peak outages.

<b>Ohio Customer Power Outages</b>			
August 26–29, 2016			
<b>Electric Utility</b>	<b>State</b>	<b>Affected</b>	<b>Latest Reported</b>
Dayton Power and Light	OH	43,000	279
Duke Ohio	OH	12,000	2,613
AEP Ohio	OH	10,000	271
First Energy	OH	1,853	150
<b>TOTAL*</b>		<b>66,853</b>	<b>3,313</b>

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

Sources:

<https://www.dpandl.com/customer-service/outage-center/outage-map/>

<https://twitter.com/dpltoday>

<https://twitter.com/AEPOhio>

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

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

<http://outages.firstenergycorp.com/oh.html>

<http://outagemap.duke-energy.com/ohky/default.html>

<http://www.wkyt.com/content/news/Strong-storms-flood-roads-leave-thousands-without-power-391565881.html>

<http://wdtn.com/2016/08/28/dpl-working-to-restore-power-to-thousands/>

### **Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Restarts August 28, Ramps Up to 49 Percent by August 29**

Florida Power & Light (FPL) reported that its St. Lucie unit 1 on August 21 experience a reactor trip and a loss of offsite power due to an inadvertent generator relay actuation.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160823en.html>

### **Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York Ramps Up to 86 Percent by August 27**

On the morning of August 26 the unit was operating at 48 percent, reduced from 91 percent on August 21.

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

### **Exelon's 1,163 MW Byron Nuclear Unit 1 in Illinois Reduced to 83 Percent by August 27**

On the morning of August 26 the unit was operating at full power.

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

### **AES's 506 MW Redondo Gas-fired Unit 7 in California Shut by August 28**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201608281515.html>

### **SCE's 820 MW Big Creek Hydro Unit in California Reduced by August 27**

The unit entered an unplanned curtailment of 390 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201608271515.html>

### **Update: RRI Energy's 741 MW Ormond Beach Gas-fired Unit 1 in California Returns to Service by August 26**

The unit returned from an unplanned outage that began on August 16.

<http://content.caiso.com/unitstatus/data/unitstatus201608261515.html>

### **E.ON Begins Construction on 278 MW Twin Forks Wind Farm in Illinois August 29**

E.ON on Monday began construction of its Twin Forks Wind Farm in Macon County, Illinois. The project is expected to be completed by the end of 2017.

<http://www.prnewswire.com/news-releases/eon-begins-construction-on-twin-forks-wind-farm-300319475.html>

### **Southern Power Acquires 147 MW Grant Plains Wind Facility in Oklahoma August 29**

Southern Company subsidiary Southern Power on Monday announced the acquisition of the 147 MW Grant Plains wind facility in Grant County, Oklahoma from Apex Clean Energy. The facility is expected to achieve commercial operation in December 2016.

<http://www.southerncompany.com/news/2016-08-29-grant-plains.cshtml>

## ***Petroleum***

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### **Phillips 66 Reports Unit Upset at Its 336,000 b/d Wood River, Illinois Refinery August 29**

Phillips 66 reported a unit upset during restart and sulfur dioxide emissions at its Wood River, Illinois, refinery, according to a filing with the Illinois Emergency Management Agency. Phillips 66 did not identify the unit involved in the incident.

Reuters, 4:09 August 29, 2016

### **Citgo Reports Coker Pump Failure at Its 427,800 b/d Lake Charles, Louisiana Refinery August 27**

Citgo Petroleum Corp reported the heavy gas oil pump failed on Coker unit no. 2 causing a failure to the compressor at its Lake Charles, Louisiana, refinery on August 27, according to a filing with the National Response Center. Citgo reported the incident resulted in flaring of sour gases (sulfur dioxide, hydrogen sulfide, and VOC's).

Reuters, 11:15 August 29, 2016

### **Motiva Reports Unit Trip at Its 237,700 b/d Norco, Louisiana Refinery August 27**

Motiva Enterprises LLC reported a benzene and naphthalene release to the flare due to a unit trip at its Norco, Louisiana refinery on August 27, according to a filing with the National Response Center.  
Reuters, 10:47 August 29, 2016

### **Marathon Reports Leak at Its 451,000 b/d Galveston Bay, Texas Refinery August 27**

Marathon Petroleum Corp reported emissions from its ultraformer unit 3 and a leak at its Galveston Bay, Texas refinery on August 27, according to a filing with the Texas Commission on Environmental Quality.  
Reuters, 22:52 August 28, 2016

### **Citgo Reports Flange Leak at Its 163,000 b/d Corpus Christi East, Texas Refinery August 28**

Citgo Petroleum Corp reported the C5 MEROX unit experienced a flange leak resulting in the release of material at the east plant of its Corpus Christi, Texas, refinery on August 27, according to a filing with the Texas Commission on Environmental Quality. The flange was isolated for repair and the release was stopped.  
Reuters, 22:47 August 28, 2016

### **Alon Reports Unscheduled Maintenance at Its 73,000 b/d Big Spring, Texas Refinery August 25**

Alon USA Energy reported unscheduled maintenance and sulfur dioxide emissions at its Big Spring, Texas, refinery on August 25, according to a filing with the Texas Commission on Environmental Quality.  
Reuters, 22:58 August 28, 2016

### **Tesoro Confirms Unit Restart, Normal Operations at Its 166,000 b/d Martinez, California Refinery August 24**

Tesoro Corp confirmed a unit restart after unplanned, minor maintenance at its Martinez, California refinery on August 24.  
Reuters, 16:13 August 26, 2016

### **Tesoro Says Operations Unaffected at Its 98,340 b/d Wilmington, California Refinery after Sulfur Tank Rupture August 26**

Tesoro Corp confirmed outside of the affected tank, operations at its Los Angeles, California refinery were normal after a sulfur tank ruptured and caught fire Friday afternoon, prompting officials to order people in the area to shelter in place. The lid of the 1-ton tank at the refinery “blew off” about 1 p.m. PDT, an Inspector of the Los Angeles County Fire Department said. The sulfur in the tank dissipated, but insulation material caught fire. No injuries were reported, but sheriff’s officials ordered anyone within a quarter of a mile of the refinery to shelter in place as a precaution. By 7:30 p.m. PDT, the shelter in place order had been lifted. The cause of the eruption and the fire was under investigation. A spokesman for Tesoro said “an incident response team” at the refinery was monitoring the air quality at the site. No harmful levels of toxins had been detected, the spokesman said.  
Reuters, 19:32 August 29, 2016

### **U.S. Oil Drilling Rig Count Steady August 26 – Baker Hughes**

The oil rig count remained steady at 406 in the week to August 26, compared with 675 a year ago, Baker Hughes said. Prior to last week, the rig count rose by 76 since the week ended July 1, the most in a row since April 2014.  
[http://www.rigzone.com/news/oil\\_gas/a/146372/Baker\\_Hughes\\_US\\_Oil\\_Drilling\\_Rig\\_Count\\_Steady\\_After\\_8\\_Weeks\\_Of\\_Hikes](http://www.rigzone.com/news/oil_gas/a/146372/Baker_Hughes_US_Oil_Drilling_Rig_Count_Steady_After_8_Weeks_Of_Hikes)

## ***Natural Gas***

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### **Atlas Reports Partial Plant Shutdown Due to Third Party Power Outage at Its 200 MMcf/d Driver Gas Plant in Texas August 27**

Atlas reported a stress cone on a third party electrical substation that feeds purchased power to the Driver gas plant failed causing a partial plant shutdown. This routed inlet and residue gas to the emergency flare. After the third party repaired its equipment, normal operating conditions were restored and flaring ceased.  
<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=242379>

## Other News

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Nothing to report.

## International News

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### Saudi Aramco Reports Normal Facility Operations after Yemeni Missile Attack August 26

Saudi Arabia's state-run oil company, Saudi Aramco, said all its oil, gas, and refining plants were operating as normal after Yemeni rebels said they hit facilities with a missile. A projectile fired from Yemen caused a fire at a power relay facility in southern Saudi Arabia, the state-run Saudi Press Agency reported, citing a spokesman for civil defense at the Ministry of Interior.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=53290](http://www.downstreamtoday.com/news/article.aspx?a_id=53290)

## Energy Prices

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U.S. Oil and Gas Prices			
August 29, 2016			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	46.92	46.75	45.24
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.88	2.64	2.68

Source: Reuters

## Links

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***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](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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