



ENERGY ASSURANCE DAILY

Wednesday Evening, September 17, 2014

Electricity

Heavy Rain, Lightning Knocks Out Power to 17,000 SDG&E Customers in San Diego, California September 16

Strong thunderstorms generating lightning, heavy rain, hail, and winds hit San Diego Tuesday evening knocking out power to 17,000 San Diego Gas & Electric (SDG&E) customers. The National Weather Service reported straight line winds with 54 mph wind gusts at Montgomery Field Airport. As of 3:30 p.m. EDT today, 538 SDG&E customers remained without power.

<http://www.cbs8.com/story/26550810/sudden-storm-rips-through-san-diego>

<https://www.facebook.com/SanDiegoGasandElectric?fref=nf>

<http://www.sdge.com/safety/outages/outage-map>

Update: Severe Heat Wave Continues, Sets Record Electricity Use in Southern California September 16–17

The severe heat wave that hit Southern California on Monday continued on Tuesday and into Wednesday, setting record electricity use and prompting utility companies to urge energy conservation. Los Angeles Department of Water & Power (LADWP) said its energy demand record was initially set Monday, at 6,196 MW, but was broken on Tuesday, at 6,396 MW. LADWP also reported that approximately 50 transformers failed due to the heat wave and approximately 600 customers were without power as of Wednesday afternoon. By comparison, LADWP 900 transformers failed during a similar heat wave in 2006. Southern California Edison (SCE) said that it had replaced 245 transformers between Saturday and Tuesday morning, compared with 1,312 during the 2006 heat wave and 1,755 transformers during the Labor Day 2007 heat wave. SCE reported 2,625 customers were without power Wednesday afternoon. SCE, LADWP, and San Diego Gas & Electric Co. (SDG&E) on Wednesday asked their customers to continue conserving energy.

<https://twitter.com/LADWP>

<https://twitter.com/SCE>

<http://newsroom.edison.com/releases/sce-customers-urged-to-conserve-more-as-continuous-energy-consumption-during-heat-wave-may-result-in-additional-outages>

<http://www.nbclosangeles.com/news/local/Heat-Power-Outage-Los-Angeles-LADWP-SoCal-Edison-275280501.html>

NRC Will Conduct Special Inspection at Dominion's 871 MW Millstone Nuclear Power Plant in Connecticut Due to Backup Feedwater Issues

The U.S. Nuclear Regulatory Commission announced September 15 that it would conduct a special inspection at Dominion's Millstone nuclear power plant in Connecticut after the unit 3 auxiliary feedwater pump unexpectedly stopped and restarted during tests conducted July 15 and September 10. The inspection is the second special inspection at the plant this year.

http://nuclearstreet.com/nuclear_power_industry_news/b/nuclear_power_news/archive/2014/09/16/backup-feedwater-pump-issues-prompt-second-special-inspection-at-millstone-this-year-091602.aspx

Update: PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Ramps Up to 73 Percent by September 17

On the morning of September 16 the unit was operating at 50 percent, up from 19 percent on September 17. The unit restarted by September 14 after being shut from full power September 6 to inspect its turbine blades.

<http://pplweb.mediaroom.com/index.php?s=12270&item=137091>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

Update: RRI Energy, Inc.'s 215 MW Mandalay Gas-fired Unit 1 in California Returns to Service by September 16

The unit returned from an unplanned outage that began by September 15.

<http://content.caiso.com/unitstatus/data/unitstatus201409161515.html>

Petroleum

Update: FCCU Back to Normal at Motiva's 600,000 b/d Port Arthur, Texas Refinery September 16 after Minor Upset September 15

Motiva Enterprises' 92,000 b/d fluidic catalytic cracker unit (FCCU) at its Port Arthur, Texas refinery, was operating normally on Tuesday morning following a minor upset on Monday night, said sources familiar with operations. A Motiva spokeswoman said operations at the Port Arthur refinery were unaffected by an upset on one of the plant's units, during which emissions were released. A notice the refinery filed with the Texas Commission on Environmental Quality said a "a loss of primary containment" released an estimated 101 pounds of volatile organic compounds from the FCCU. The refinery's operating permit allows the refinery to release only 100 pounds of volatile organic compounds.

Reuters, 13:26 September 16, 2014

Update: Shell Continues Work on FCCU at Its 327,000 b/d Deer Park, Texas Refinery September 16

Royal Dutch Shell Plc's joint-venture Deer Park, Texas refinery was continuing work on Tuesday on the 70,000 b/d fluidic catalytic cracking unit (FCCU), said sources familiar with refinery operations. The FCCU was shut on August 16 for repairs that were thought to extend up to two months, sources told Reuters at the time.

Reuters, 18:48 September 16, 2014

Tallgrass Energy's 230,000 b/d Pony Express Oil Pipeline Construction Nears Completion

Construction of the Pony Express pipeline from Wyoming to Oklahoma was nearing completion, according to a notice to shippers. The notice issued late on Tuesday did not say when the line would begin startup for committed shippers. In a notice last week, Tallgrass Energy pushed the start date for committed shippers to November 1 from the original date of October 1. According to this week's notice, those using the line on an uncommitted basis could begin in October, slightly later than expected last week. Pony Express includes a 430-mile converted natural gas pipeline and a new 260-mile line that will carry light crude in North Dakota's Bakken shale plays to the pipeline and storage hub in Cushing, Oklahoma.

Reuters, 17:28 September 16, 2014

Oasis Petroleum Reports 3 Barrel Oil Spill and 500 Barrel Hydraulic Water Spill at Well Site in North Dakota September 16

Oasis Petroleum reported a 3 barrel spill of oil and 500 barrel spill of hydraulic fracturing water in Mountrail County to the North Dakota Oil and Gas Division September 16. The water and oil were contained at the Manhattan Federal 5792 11-2H well site and all but 1 barrel of oil and 20 barrels of water were recovered.

<http://www.jamestownsun.com/content/two-spills-reported-mountrail-county>

Natural Gas

Tennessee Gas Pipeline Declares Force Majeure at Station 409 in Texas September 16

Kinder Morgan Energy Partners' Tennessee Gas Pipe Line declared a force majeure event at its Station 409 near Edinburg, Texas that was effective from Tuesday due to high temperatures on one of the bearings. About 200 MMcf of natural gas flow could be affected due to the outage, the company said in a website posting. Repairs were estimated to take two days to resolve, according to the posting. The 13,900-mile pipeline transports natural gas from Louisiana, the Gulf of Mexico, and south Texas to the northeast section of the U.S., including New York City and Boston.

http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP¬e_nbr=353371&date=9/17/2014&subject=¬e_type=-1¬e_sub_type=-1¬e_ind=C

http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP¬e_nbr=353370&date=9/17/2014&subject=¬e_type=-1¬e_sub_type=-1¬e_ind=C

Natural Gas Leak, Evacuation Reported from TransCanada Pipeline in Michigan September 16

A natural gas leak from TransCanada pipeline prompted the evacuation of residents within a one-mile radius in Benton Township, Michigan, for several hours September 16. Inspectors were monitoring the air quality while TransCanada worked to shut off the flow of natural gas to the pipeline or reroute the flow of gas.

<http://www.9and10news.com/story/26541795/natural-gas-leak-prompts-evacuation-in-sw-michigan>

ExxonMobil Reports Blown Transformer at Its 65 MMcf/d Dollarhide Gas Plant in Texas September 12

ExxonMobil reported unit P-9 went down due to a blown transformer caused by thunderstorms. Operations shut in all flowing wells to reduce and mitigate emissions. The unit remained down awaiting a replacement transformer.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=203578>

Other News

Nothing to report.

International News

Update: Libya's El Sharara Oilfield Shuts after Damage to 120,000 b/d Zawiya Refinery

Libya's El Sharara oilfield shut after a tank was damaged at the Zawiya refinery, which it supplies, in fighting between armed groups, an oil ministry official said on Wednesday, closing around 200,000 b/d of output. The field closure will bring down Libya's production to around 670,000 b/d based on a production of 870,000 b/d reported by state-run National Oil Corp (NOC) on Sunday. The Zawiya refinery was still working but would have to shut once stocks were used up, the head of the inspection and measurement department at the oil ministry said.

Reuters, 9:11 September 17, 2014

Iraq's Lack of Water Threatens Output from Southern Oilfields

A lack of water was threatening Iraq's plans to raise its oil output as a seawater injection project designed to boost production from the export oilfields in Iraq's south was not progressing. The seawater injection project is core to the development of the southern fields and aims partly to flush oil to the surface and overcome declines in production at fields such as Rumaila, West Qurna, Zubair, and Majnoon. The shortage of water was hurting production at two main southern fields, West Qurna-1 and Zubair, official and industry sources told Reuters. Output from West Qurna-1—operated by ExxonMobil—has fallen almost 40 percent to around 300,000 b/d compared with last year, an industry source said, adding that a shortage of water was one of the reasons.

http://www.rigzone.com/news/oil_gas/a/135064/Iraqs_Oil_Output_Revival_at_Stake_for_Want_of_Water#sthash.QK84aFwE.dpuf

Petroceltic, Hess to Resume Oil Drilling in Iraqi Kurdistan in October

Petroceltic said it would resume drilling in Iraqi Kurdistan together with partner Hess in early October, after operations were suspended last month at one of its wells due to security risks in the region. The partners halted work at the Shireen-1 well in Iraqi Kurdistan on August 9 and evacuated its international staff as a precautionary measure. Around half of them have now returned to the site to resume drilling work that was expected to take another 90 days to complete, Petroceltic said on Wednesday.

http://www.rigzone.com/news/oil_gas/a/135055/Petroceltic_Hess_to_Resume_Oil_Drilling_in_Iraqi_Kurdistan_in_October#sthash.q31NtYNH.dpuf

<http://www.petroceltic.com/investor-centre/press-releases/pr-2014/2014-09-17.aspx>

Hess, PDVSA Receive Offer for U.S. Virgin Island's 350,000 b/d Hovensa Refinery

Hess Corporation and Venezuela's state-run PDVSA have found an interested buyer for their Hovensa refinery in the Virgin Islands, sources close to the deal told Reuters on Wednesday, confirming a local news report. Refining at the plant had been halted since 2012 but its owners had been using it as a terminal.

Reuters, 10:43 September 17, 2014

Energy Prices

U.S. Oil and Gas Prices			
September 17, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	94.06	91.74	105.20
NATURAL GAS Henry Hub \$/Million Btu	3.85	3.94	3.74

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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