



ENERGY ASSURANCE DAILY

Tuesday Evening, October 11, 2016

Major Developments

Five Canadian Crude Oil Import Pipelines Temporarily Shut to Conduct Integrity Assessments after Activists Attempt Coordinated Shutdown in Montana, Minnesota, North Dakota, Washington October 11

Several activists were arrested on Tuesday after a coordinated attempt to shut down five border-crossing pipelines carrying nearly 3 million b/d of Canadian crude oils into U.S. Midwest and West Coast refinery markets. Spectra Energy shut its 280,000 b/d Express Pipeline as a precautionary measure after trespassers tampered with a valve station in Montana. In Minnesota, Enbridge shut its 796,000 b/d Line 4, and its 570,000 b/d Line 67 after trespassers cut chains and attempted to turn off valves. TransCanada said its 591,000 b/d Keystone Pipeline was temporarily shut as a precaution after protestors tried to disrupt the system in North Dakota. Meanwhile in Washington State, Kinder Morgan confirmed that trespassers broke into a location of one of its two Puget Sound system feeder lines, which was coincidentally not operating at the time of the break in. The 180,000 b/d Puget Sound Pipeline System is the U.S.-portion of Kinder Morgan's 300,000 b/d Trans Mountain Pipeline System. By 3:30 p.m. EDT, Spectra Energy was taking steps to restart its Express Pipeline after inspecting its valve station for damage, and Kinder Morgan inspected and reopened the targeted-feeder line of its Puget Sound system, adding that deliveries were not affected. Enbridge also said its deliveries were not affected, adding that these actions were inviting an environmental incident and endangering public safety.

<http://www.reuters.com/article/us-usa-canada-pipelines-idUSKCN12B260>

<http://www.spectraenergy.com/Operations/Liquids-Operations/Express-Pipeline/>

<http://www.enbridgepartners.com/~media/EepEqMep/Site%20Documents/Shared%20Content/Delivering%20Energy/Mainline%20Configuration%20and%20Capacities.pdf>

<http://prod-http-80-800498448.us-east-1.elb.amazonaws.com/w/images/8/84/Keystone.pdf>

http://www.kindermorgan.com/business/canada/puget_sound.aspx

OE/ISER Situation Report: Hurricane Matthew

The U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability (OE/ISER) released an emergency situation report Tuesday afternoon. For details on the impact of this storm on customer outages, energy infrastructure issues, and restoration efforts, see Hurricane Matthew Situation Reports issued by OE/ISER at the following URL:

<http://energy.gov/oe/downloads/hurricane-matthew-situation-reports-october-2016>

Electricity

SCE Reports 102,000 Customers Briefly without Power in Southern California October 11

Southern California Edison (SCE) reported approximately 102,000 customers briefly lost power in Torrance, Hermosa Beach, Manhattan Beach, Redondo Beach, Hawthorne, Westmont, Gardena, and South Los Angeles. While the cause of the outage was not immediately known, SCE cited more than a dozen separate incidents related to the massive outage, which all started around 5:40 a.m. PDT, Tuesday. SCE said the majority of outages were restored by 7:30 a.m. PDT.

<https://www.sce.com/wps/portal/home/outage-center/>

<http://ktla.com/2016/10/11/power-outage-flaring-spotted-at-former-exxonmobil-refinery-in-torrance/>

<http://abc7.com/news/25k-without-power-in-south-bay;-flare-ups-seen-at-torrance-refinery/1549648/>

Strong Storm Knocks Out Power to 144,000 Nova Scotia Power Customers October 10–11

A strong storm producing wind gusts up to 72 mph knocked out power to 144,000 Nova Scotia Power (NS Power) customers on Monday night into Tuesday morning. As of 3:30 p.m. EDT Tuesday, 34,874 customers remained without power. Most of the outages were caused by trees and branches falling on to power line, the utility said. The majority of customers in the western and central regions of the province who lost power will be restored by 5:00 p.m. EDT Tuesday. Due to flood waters and inaccessible roads, the damage in many areas in the eastern part of the province has been difficult to assess, NS Power said. As field crews assess the damage, some estimated restoration times in the area will need to change. The majority of customers in the east and Cape Breton will have power restored by 10:00 a.m. EDT Thursday, NS Power said.

<http://outagemap.nspower.ca/external/default.html>

<http://www.cbc.ca/news/canada/nova-scotia/power-outages-affecting-about-50-000-in-nova-scotia-1.3799440>

Progress Energy's 872 MW Brunswick Nuclear Unit 1 in North Carolina Reduced to 52 Percent by October 9

On the morning of October 8 the unit was operating at full power.

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

Dominion's 815 MW Surry Nuclear Unit 2 in Virginia Shut by October 9

The unit shut from full power on October 9 following a main generator differential lockout turbine trip.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20161011en.html>

Progress Energy's 710 MW Robinson Nuclear Unit 2 in South Carolina Restarts, Ramps Up to 48 Percent by October 11 after Shutting October 8

The unit shut from full power on October 8 due to the loss of offsite power.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20161011en.html>

Exelon's 1,131 MW Byron Nuclear Unit 2 in Illinois Reduced to 71 Percent by October 10

On the morning of October 9 the unit was operating at full power.

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

Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois Reduced to 86 Percent by October 10

On the morning of October 9 the unit was operating at full power.

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

STP's 1,251 MW South Texas Nuclear Unit 2 in Texas Shut by October 9

The unit shut from 94 percent on October 9. The cause of the shutdown was not immediately known.

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

NMC's 578 MW Monticello Nuclear Unit in Minnesota Reduced to 58 Percent by October 10

On the morning of October 9 the unit was operating at full power.

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

AES's 336 MW Alamosa Gas-fired Unit 4 in California Reduced by October 9

The unit entered an unplanned curtailment of 266 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201610091515.html>

CDWR's 210 MW Pine Flat Hydro Unit in California Shut by October 9

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201610091515.html>

ExxonMobil Reports Power Restored to Gas System Pumps at Its 560,500 b/d Baytown, Texas Refinery October 7

ExxonMobil Corp reported a power loss on October 7 affected a booster pump station on its gas system, which resulted in safe utilization of the flare system at its Baytown refinery, according to a filing with the Texas Commission on Environmental Quality. ExxonMobil said power was restored to the gas system.
Reuters, 17:34 October 7, 2016

Petrobras Reports FCCU Shutdown at Its 112,229 b/d Pasadena, Texas Refinery October 10

Petrobras reported startup emissions after the shutdown of the fluid catalytic cracking unit (FCCU) at its Pasadena, Texas refinery on Monday, according to a filing with the Texas Commission on Environment Quality.
Reuters, 12:04 October 10, 2016

PBF Energy Restarting Its 151,300 b/d Torrance, California Refinery after Power Outage, Flaring October 11

PBF Energy's Torrance, California refinery could be down for a week after a local power outage resulted in unplanned flaring at the facility early on Tuesday, a source familiar with the plant said. A PBF spokesman said in an email that all safety systems at the refinery operated properly; all personnel were safe and accounted for; and all commercial obligations in fuel markets were being met. The email also said that plant personnel began restarting equipment on Tuesday afternoon with minimal noise and flaring expected over the next several days, although there was no estimate when the refinery would return to service. Southern California Edison (SCE), the local power company, said it restored service to all customers in the Torrance area by 7:00 a.m. PDT. Tuesday's outage came less than a month after the Torrance refinery experienced a similar breakdown following issues with SCE's electric system. The refinery had resumed normal operations as of early October, almost two weeks after that breakdown. Following the September outage, PBF began discussions with SCE about improving its service to the refinery.

Three Oil Tanker Train Cars Derail in Paulsboro, New Jersey; No Spill Reported October 11

Three tanker cars carrying oil from ExxonMobil's Lube Plant in Paulsboro derailed overnight, but no cars overturned and no oil was released, officials reported Tuesday morning. One official said a bent rail caused the cars to ride alongside the rail. The cars were being placed back on the track late Tuesday morning, and the county Office of Emergency Management sent a representative to the scene to gather additional information about the incident.
http://www.nj.com/gloucester-county/index.ssf/2016/10/no_danger_to_public_after_train_cars_derail_in_pau.html

Update: Energy Transfer Intends to Resume Dakota Access Pipeline Construction after Federal Appeals Court Ruling October 9

Energy Transfer Partners – the company building the four-state Dakota Access pipeline – said on Tuesday that it looks forward to resuming construction activities on private land east and west of Lake Oahe in North Dakota, where protests supporting tribal rights have endured for months. Energy Transfer's statement comes in the wake of a federal appeals court ruling on Sunday, permitting construction to resume within 20 miles of the lake. The order dissolves an administrative injunction related to the Standing Rock Sioux Tribe's emergency motion that was filed in early September to temporarily halt the pipeline's construction. The tribe opposes the project because of concerns about water supply and cultural artifacts. The order restores Dakota Access LLC's rights of access to the limited portion of the corridor, in which the easement still awaits government approval. Energy Transfer said it continues to believe that the U.S. Army Corps of Engineers will soon issue the easement for approximately 1,100 feet necessary for the crossing beneath the Missouri River—the sole remaining authorization necessary for completion of the project. The Dakota Access Pipeline would deliver crude oil from North Dakota's Bakken shale to refineries in the U.S. Gulf Coast, carrying oil from just north of land owned by the Standing Rock Sioux Tribe to Illinois, where it would connect with an existing pipeline and route crude directly to the U.S. Gulf Coast.

Reuters, 08:01 October 11, 2016
Reuters, 22:57 October 9, 2016

MPLX Reports Its Cornerstone NGL Pipeline Begins Operations in Ohio October 11

MPLX LP on Tuesday announced its newly constructed 50-mile Cornerstone Pipeline was fully operational. The new pipeline is designed to transport condensate and natural gasoline in a batched system from origination facilities in Harrison County, Ohio, to a tank farm in East Sparta, Ohio, where it can then continue on to Marathon Petroleum Corporation's 93,000 b/d refinery in Canton, Ohio. Cornerstone Pipeline is comprised of a 42-mile, 16-inch pipeline from Cadiz to East Sparta with 180,000 b/d capacity and an 8-mile, 8-inch pipeline from East Sparta to Canton with 45,000 b/d capacity. Marathon Pipe Line LLC, a subsidiary of MPLX, will operate the Cornerstone Pipeline.
<http://phx.corporate-ir.net/phoenix.zhtml?c=251401&p=irol-newsArticle&ID=2210866>

Trilogy Energy Reports Crude Oil Emulsion Release in Alberta October 6

Trilogy Energy Corp. on Thursday was responding to a crude oil pipeline leak in the Kaybob area of central Alberta. On the afternoon of October 6, Trilogy discovered a leak in one of its crude oil pipelines within its Kaybob Montney Oil Development, approximately 9 miles from the Town of Fox Creek. The company's emergency response plan was activated, applicable regulatory bodies and third parties were notified, and response personnel and equipment were immediately deployed. Since that time, Trilogy crews and related response teams have been on site assessing the impact of the leak and commencing clean-up. The location of the leak was identified and isolated, and production from the pipeline was redirected. Trilogy is currently working to determine the cause of the leak, the volume of the release, and the size of the affected area, and said it was working closely with the Alberta Energy Regulator as it continues investigating the extent of the impact and develops its remediation program.
http://www.trilogyenergy.com/upload/media_element/290/02/57f0428c-668b-4298-b0f6-3283742348a5.pdf

Natural Gas

Update: SoCalGas Completes Additional Natural Gas Well Tests at Its 86 Bcf Aliso Canyon Facility in California October 10

Southern California Gas Co (SoCalGas) on Monday was waiting for final safety test results from fewer than 10 wells at its Aliso Canyon natural gas storage facility in Los Angeles before state agencies can allow the company to inject gas into the field. SoCalGas shut Aliso Canyon in October 2015 due to a massive methane leak that was not plugged until February. Under state law, the gas utility cannot inject gas into the field until the California Division of Oil, Gas and Geothermal Resources (DOGGR) approves the company's testing of the 114 wells at the facility to ensure their safety. On October 7, SoCalGas said 27 wells passed all safety tests, nine awaited results, and 78 were temporarily out of operation. All wells must either pass all tests or be taken out of service before DOGGR can call a public meeting. Since DOGGR must give the public 15 days notice before a meeting, SoCalGas could not start injecting gas into Aliso Canyon until late October at the earliest. In addition to DOGGR, the California Public Utilities Commission (PUC) must determine the field is safe to operate. The state required SoCalGas to keep 15 Bcf of gas in the facility to minimize the risk of gas shortages that could result in electricity outages. Once enough wells have passed all tests and received DOGGR approval to meet the PUC's withdrawal requirements, SoCalGas said it will temporarily plug the remaining wells and take them out of service. The PUC in late September reduced the required minimum withdrawal capability SoCalGas must maintain from 420 MMcf/d to 207 MMcf/d, which the utility said would likely enable it to speed up the testing process. Once those wells have been plugged and isolated from the reservoir, SoCalGas can request authority to resume injections. The company has not said when it planned to make that request.

<https://www.alisoupdates.com/main>

http://www.downstreamtoday.com/news/article.aspx?a_id=53839

Enbridge Reports SCOT Shut at Its Pittsburg Gas Plant in Texas October 9

Enbridge reported operators had to shut down the SCOT plant temporarily due to issues with air blower pressure. During the upset, inlet rates were cut and plant operations were manually. The equipment was brought back online and the thermal oxidizer was utilized in order to mitigate emissions.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=245238>

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
October 11, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	50.67	48.75	49.62
NATURAL GAS Henry Hub \$/Million Btu	3.14	2.84	2.44

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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