



ENERGY ASSURANCE DAILY

Friday Evening, November 13, 2015

Electricity

Strong Winds Cut Power to More Than 77,300 ComEd and Ameren Customers in Illinois November 11–12

Utilities were working to restore power in northern Illinois Thursday after strong wind gusts led to outages the night before. ComEd said Thursday afternoon about 4,600 customers remained without power. Another 58,000 customers experienced power outages. Ameren Illinois reported 14,722 of its customers were impacted at peak, which occurred at 8:00 p.m. local time on Wednesday. As of 12:57 p.m. EST on Friday, less than 500 ComEd customers remained without power, and about 330 Ameren customers remained without power.

<http://www.fox32chicago.com/news/local/48057550-story>

<http://thetelegraph.com/news/73750/ameren-works-to-restore-power-after-strong-storms>

https://www.comed.com/_layouts/comedsp/OutageMap.aspx

<http://apps.ameren.com/outage/outagemap.aspx?state=IL>

Update: Talen Energy's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Remains Shut November 13 after Unexpected Valve Closure Trips Unit November 12

Operators reported Unit 1 automatically shut down Thursday after one main steam isolation valve unexpectedly closed, causing a high pressure reactor protection system trip, according to a filing with the U.S. Nuclear Regulatory Commission. All safety systems operated as expected. The Unit 1 reactor is currently stable, and the plant is in its normal shutdown electrical lineup. Investigation into the cause of the valve closure is underway. The facility's 1,111 MW Unit 2 was unaffected and continues 100-percent power operation. However, operators reported Thursday that Unit 2's secondary containment became inoperable when Reactor Building Zone II differential pressure oscillated beyond safety parameters for a short period.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20151113en.html>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/20151113ps.html>

NRC to Increase Oversight of TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee

The U.S. Nuclear Regulatory Commission (NRC) reported on Thursday that it is increasing its oversight of Unit 1 at the Sequoyah nuclear power plant in Tennessee as a result of the frequency of unplanned shutdowns the plant has experienced this year, including one trip in the first quarter this year and three trips in the third quarter. The Sequoyah plant is operated by the Tennessee Valley Authority (TVA). The NRC will conduct a supplemental inspection to provide assurance that the causes of the shutdowns are understood, to identify the extent of those causes, and to ensure TVA's corrective actions are sufficient.

<http://pbadupws.nrc.gov/docs/ML1531/ML15316A175.pdf>

Pattern Energy Dedicates 200 MW Logan's Gap Wind Farm in Texas November 12

The Pattern Energy Group officially dedicated its Logan's Gap Wind farm on Thursday, supported by a contract with Walmart to power the retailer's facilities in Texas. The 200 MW facility, east of Abilene in Comanche County, completed construction and became fully operational on September 28, 2015. Pattern has a 10-year deal with Walmart to acquire 58 percent of the power generated from the wind farm with much of the remainder going into the Texas power grid for sale at spot market prices. The Logan's Gap Wind facility connects to Oncor's Comanche-Zephyr transmission line that supplies power to the Dallas-Fort Worth area.

<http://fuelfix.com/blog/2015/11/12/pattern-energy-launches-texas-wind-farm-with-walmart-backing/>

<http://investors.patternenergy.com/releases.cfm>

Dominion's 871 MW Millstone Nuclear Unit 2 in Connecticut Ramped Up to 61 Percent by November 13

Unit 2 was returning from an outage that began on November 11.

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

Update: Progress Energy's 872 MW Brunswick Nuclear Unit 1 in North Carolina Ramped Up to 70 Percent by November 13

Unit 1 was returning from a shutdown that began on November 8. Operators restarted the unit on November 11. On the morning of November 12, the unit was operating at 15 percent.

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

EnergyTech2015 Conference to Focus on Vulnerability of U.S. Electric Grid

Energy experts attending EnergyTech2015 will discuss the vulnerability of the U.S. electric grid to disaster and attack, according to a report quoting this year's conference's chair, John Juhasz, CEO of Strongsville, Ohio-based nonprofit Telepath Systems. The event will be held at Cleveland State University's Wolstein Center starting Nov. 30 and will run through Dec. 2

<http://www.energytech2015.com/>

<http://www.craigslist.com/article/20151113/NEWS/151119885/energytech2015-warns-of-potential-power-grid-disaster>

Petroleum

Genesis Offering Capacity on Powder River Basin Crude Pipeline Extension

Genesis Energy LP is holding an open season through Dec. 1 for a crude oil pipeline extension that would serve the Powder River Basin in Wyoming with service as early as the first quarter of next year. The pipeline would be 135 miles long and capable of receiving crude oil from multiple receipt points in Wyoming's Campbell and Converse counties. Deliveries would be to the company's Pronghorn unit train loading facility north of Douglas, WY, and to its new terminal in Guernsey, WY. The latter offers a direct connection to the Pony Express Pipeline, as well as infrastructure that feeds regional refineries.

<http://www.naturalgasintel.com/articles/104339-genesis-offering-capacity-on-powder-river-basin-crude-pipeline-extension>

U.S. Refinery Utilization Rates Continue to Rise – EIA

Oil dropped to the lowest level in more than two months after U.S. crude stockpiles increased for a seventh week, prolonging the global surplus. Inventories rose 4.22 million barrels last week, according to an Energy Information Administration report. U.S. refineries boosted their operating rates a fourth week while crude production increased. Refineries boosted operating rates by 0.8 percentage point to 89.5 percent last week. U.S. oil processors boosted utilization in November during four of the past five years as the annual maintenance period finishes and plants gear back up for winter.

<http://www.hydrocarbonprocessing.com/Article/3506041/Latest-News/US-refinery-utilization-rates-continue-to-rise-EIA.html>

Alon Reports Flaring at Its 70,000 b/d Big Spring, Texas Refinery November 11

Operators reported flaring at Alon's Big Spring, Texas refinery Wednesday was in response to the detection of an unidentified stream containing elevated levels of hydrogen sulfide, according to a filing with state regulators. Alon was working to identify the source of the emissions at the time of the filing on Thursday evening.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=222943>

Chevron Detects Sour Gas Leak at Its 330,000 b/d Pascagoula, Mississippi Refinery November 13

Chevron reported that operators at its Pascagoula, Mississippi refinery detected a sour gas leak from a pipe inside the refinery on November 12. Chevron was working to isolate the leak.

Reuters, 11:17 November 13, 2015

Update: Motiva Restarts DCU at Its 603,000 b/d Port Arthur, Texas Refinery November 12 – Sources

Motiva Enterprises restarted a 110,000 b/d delayed coking unit (DCU) on Thursday at the company's Port Arthur, Texas refinery, according to sources familiar with plant operations. DCU-2 was knocked out of production on Wednesday by a compressor failure.

Reuters, 17:41 November 12, 2015

Update: HTU Nears Normal Operation at Valero's 335,000 b/d Port Arthur, Texas Refinery November 12 – Sources

A 47,000 b/d hydrotreating unit (HTU) was nearing normal operation on Thursday at Valero Energy Corp's Port Arthur, Texas refinery, according to sources familiar with plant operations. The HTU malfunctioned on Tuesday, affecting operation of the 50,000 b/d reforming unit and production on the 268,000 b/d crude distillation unit at the refinery, the sources said.

Reuters, 16:43 November 12, 2015

North Dakota Crude Oil Output Slides 2 Percent in September

North Dakota's daily oil production fell 2 percent in September as slipping crude prices again weighed on the state's energy industry and forced cuts in the use of drilling rigs and fracking crews. The state produced 1,162,253 b/d in September, compared with 1,187,631 b/d in August, according to the Department of Mineral Resources, which reports on a two-month lag.

Reuters, 14:11 November 13, 2015

PES Reports Flaring, Unit Shutdown, Startup at Its 335,000 b/d Philadelphia, Pennsylvania Refinery November 6 and 9

Philadelphia Energy Solutions, Inc. reported flaring from the Girard Point section of its Philadelphia refinery November 6 was due to the loss of an isobutene recycle pump on Unit 433, according to a filing with a state regulator that was made public on Friday. Operators shut Unit 433 for repairs on November 9, and restarted the unit later that day, the filing said.

Reuters, 14:05 November 13, 2015

Shell Responds to an Unspecified Incident at Its Scotford, Alberta Facility November 13

Royal Dutch Shell Plc reported responding to an unspecified incident at its Scotford, Alberta facility, according to a community information line post. The Scotford facility houses a 100,000 b/d refinery and a 255,000 b/d oil sands upgrader.

Reuters, 13:33 November 13, 2015

Update: HollyFrontier Reports Normal Operations at Its 47,000 b/d Cheyenne, Wyoming Refinery November 13

HollyFrontier Corp. reported it has resumed normal operations at its Cheyenne, Wyoming refinery November 13. Operators had reported power interruptions at the facility on Thursday.

Reuters, 13:16 November 13, 2015

Natural Gas

New York Governor Cuomo Vetoes Port Ambrose LNG Deepwater Port Off the Coast

New York Governor Andrew M. Cuomo on Thursday vetoed the Port Ambrose Liquefied Natural Gas (LNG) Deepwater Port, citing security and economic concerns along with the potential to negatively impact offshore wind development. The project, which had been proposed by Liberty Natural Gas, LLC, required approval from both Governor Cuomo and New Jersey Governor Christie under the Federal Deepwater Port Act. The Port Ambrose project involved creating a deep-water docking station 19 miles into the Atlantic Ocean, and an underwater pipeline that would pump about 400 MMcf of natural gas per vessel a day into the existing Transco Lower New York Bay Lateral pipeline, according to the project website.

<https://www.governor.ny.gov/news/governor-cuomo-vetoes-port-ambrose-liquefied-natural-gas-project>

http://www.downstreamtoday.com/news/article.aspx?a_id=49951

<http://portambrose.com/>

Equipment Malfunction Leads to Emissions at Atlas Pipeline's 195 MMcf/d Midkiff Gas Plant in Texas November 12

Operators reported that emissions at the Midkiff gas plant on Wednesday were caused by a power cylinder malfunction, according to a filing with state regulators. Operators were working on the unit when the filing was made the next day.

<http://www2.tceq.texas.gov/oc/eer/index.cfm?fuseaction=main.getDetails&target=222959>

Tallgrass Energy Reduces Capacity at the Wamsutter Echo Springs Compressor Station in Wyoming Due to Damaged Crankshaft November 13

Rockies Express Pipeline LLC (“REX”) on Thursday identified a damaged crankshaft on Unit 1 at its Wamsutter Echo Springs Compressor Station in Wyoming, according to a notice that was posted Friday morning. REX was mobilizing repair crews and said a return-to-service date was unknown at the time of the filing. Accordingly, REX and its parent company Tallgrass Energy Partners declared a force majeure and are reducing capacity at the Wamsutter Echo Springs receipt point (PIN 42760) until the repairs are completed. The compressor station is part of the 1,698-mile REX natural gas pipeline system, which stretches from Rio Blanco County, Colorado, to Monroe County, Ohio, with a capacity of 1.8 Bcf/d. Rockies Express is owned by units of Tallgrass, Sempra Energy, and Phillips 66. Tallgrass Development owns a 50-percent interest and operates the pipeline.

Reuters, 10:56 November 13, 2015

Reuters, 12:16 November 13, 2015

Other News

Nothing to report.

International News

U.S. Steps Up Its Attacks on ISIS-Controlled Oil Fields in Syria – American Officials

The United States and its allies have increased their airstrikes against the oil fields that the Islamic State controls in eastern Syria in an effort to disrupt one of the terrorist group’s main sources of revenue, American officials said this week. The Islamic State’s ability to produce and export oil generates about \$40 million a month, or nearly \$500 million a year, according to Treasury Department estimates.

http://www.nytimes.com/2015/11/13/us/politics/us-steps-up-its-attacks-on-isis-controlled-oil-fields-in-syria.html?_r=1

IEA Says Global Oil Stockpiles at Record 3 Billion Barrels November 13

As land storage sites worldwide reach brimming point due to a supply glut, tens of millions of barrels of oil are sitting on tankers looking for homes. The International Energy Agency (IEA) on Friday said stored oil has hit 3 billion barrels. Traders say the excess of crude is leaving tankers queuing at major ports worldwide, lengthening waiting times to days, weeks, and even months. The bottlenecks could force oil suppliers into quick, cut-priced sales just to free space, adding more pressure to oil prices already close to 6-year lows, traders said.

Reuters, 07:29 November 13, 2015

Energy Prices

U.S. Oil and Gas Prices			
November 13, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	40.85	44.27	94.42
NATURAL GAS Henry Hub \$/Million Btu	2.01	2.10	3.69

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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