



ENERGY ASSURANCE DAILY

Monday Evening, November 26, 2012

Major Developments

OE/ISER Situation Report: Hurricane Sandy–Nor’easter

On November 7, a Nor’easter began to impact the U.S. Mid-Atlantic and Northeast with strong winds, rain, snow, and coastal flooding, as the region worked to recover from impacts caused by Hurricane Sandy, which made landfall on October 29. For details on the impact of these storms on customer outages, energy infrastructure issues, and restoration efforts, see: Hurricane Sandy–Nor’easter Situation Reports issued by the U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability (OE/ISER) at the following URL:

http://www.oe.netl.doe.gov/named_event.aspx?ID=68

Update: NYC Ends Odd-Even License Plate System for Fuel Purchases November 24

New York Mayor Michael Bloomberg on November 23 lifted the emergency order establishing an odd-even license plate system for gasoline and diesel purchases, effective November 24 at 6:00 a.m. EST. Mayor Bloomberg established the odd-even license plate system on November 9 to help reduce wait times at gas stations and stabilize fuel purchases throughout the five boroughs while the regional fuel supply chain recovered from damage caused by Hurricane Sandy. As of November 23, more than 85 percent of gas stations in the city were operational and the available supply of gasoline and diesel fuel was expected to increase.

<http://www.nyc.gov/portal/site/nycgov/>

Update: Hess Restores Normal Rates at Its 70,000 b/d Port Reading, New Jersey Refinery by November 21

Hess Corp. on Wednesday said its Port Reading refinery was operating at normal rates. The refinery was shut down in advance of Hurricane Sandy’s landfall on October 29 and remained shut after the storm damaged a PSEG substation that powers the plant. Operators restarted operations at the refinery November 16.

<http://www.reuters.com/article/2012/11/21/refinery-operation-hess-idUSL1E8ML8JX20121121>

Electricity

High Winds and Heavy Rain Cut Power to More Than 43,000 Utility Customers in Oregon November 19

High winds and heavy rain pounded Oregon last Monday, cutting power to more than 43,700 utility customers across the state, including 24,000 Pacific Power customers, 12,200 Pacific Gas & Electric customers, and 7,500 Puget Sound Energy customers. These utilities all expected to fully restore power to its customers by the Tuesday evening.

<http://www.albanytribune.com/20112012-2500-pacific-power-customers-still-without-electricity-most-in-otis-area/>

<http://www.kptv.com/story/20146972/roads-reopening-and-power-returning-to-homes-after-storm>

<http://www.thenewstribune.com/2012/11/20/2374039/thousands-lose-power-as-winds.html>

Faulty Insulator Cuts Power to Nearly 30,000 Rocky Mountain Power Customers in Idaho November 25

Rocky Mountain Power reported that a faulty insulator caused 29,561 of its customers to lose power for several hours Sunday morning. Operators had to repair a transmission line feeding substations in the area before restoring power. All customers were restored by early that afternoon.

<http://www.localnews8.com/news/Faulty-insulator-causes-power-outage-for-30-000-in-Upper-Valley/-/308662/17542296/-/xyott8/-/index.html>

Transmission Disruption Briefly Cuts Power to 25,000 Hydro Ottawa Customers

November 23

Hydro Ottawa reported about 25,000 of its customers briefly lost power Friday afternoon after a supply disruption on a transmission line from the provincial grid. The utility rerouted the source of electricity on the grid to restore power.

<http://ottawa.ctvnews.ca/short-lived-blackout-for-tens-of-thousands-in-ottawa-1.1051647#ixzz2DLE6sQ1E>

<http://www.ottawacitizen.com/news/ottawa/Brief+power+outage+darkens+Ottawa+west/7602436/story.html>

PSEG's 1,092 MW Salem Nuclear Unit 2 in New Jersey Automatically Shuts Due to Steam Generator Valve Malfunction November 25

PSEG Nuclear reported Salem Unit 2 experienced an automatic reactor trip at 11:30 a.m. EST Sunday after a steam generator feedwater regulation valve did not respond to a demand signal, according to a filing with the U.S. Nuclear Regulatory Commission. The cause of the failure to respond to demand is under investigation. Operators had recently restarted the unit after a refueling outage and had ramped it up to 90 percent power when the automatic trip occurred Sunday.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20121126en.html>

Update: Entergy Restarts 813 MW FitzPatrick Nuclear Unit in New York November 25 after Installing Spare Transformer; Ramps Unit Up to 38 Percent by November 26

Entergy Nuclear restarted the FitzPatrick nuclear unit on Sunday after installing a spare transformer to replace one that was damaged in a fire on November 11. The transformer impacted by the fire is one of two main transformers at the plant.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Duke Energy's 1,129 MW Catawba Nuclear Unit 1 in South Carolina Shut by November 25

Operators have been steadily decreasing power on the unit since November 22, when it was operating at full power, according to the U.S. Nuclear Regulatory Commission. Duke Energy has not publicly said why it shut the unit.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

High Turbine Vibrations Shut NRG's 956 MW Limestone Coal-Fired Unit 2 in Texas November 24

NRG Texas reported Unit 2 at its Limestone plant tripped offline Saturday morning due to high vibration on turbine bearing No. 7, according to a filing with the Texas Commission on Environmental Quality. Operators expected emissions related to the event to continue until Wednesday morning.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=176307>

Dynegy's 510 MW Moss Landing Natural Gas-Fired Unit 2 in California Returns to Service by November 24

The unit returned from an unplanned curtailment of 260 MW that began by November 23.

<http://content.aiso.com/unitstatus/data/unitstatus201211241515.html>

Sempra's 625 MW Termoelectrica De Mexicali Natural Gas-Fired Unit 1 in Mexico Returns to Service by November 24

The unit returned from an unplanned outage that began by November 23.

<http://content.aiso.com/unitstatus/data/unitstatus201211241515.html>

CDWR's 237 MW Devil Canyon Hydro Units 1-4 in California Returns to Service by November 22

The unit returned from an unplanned curtailment of 177 MW that began by November 21.

<http://content.aiso.com/unitstatus/data/unitstatus201211221515.html>

Update: Consumers' 100 MW Lake Winds Energy Park Starts Commercial Operations

Consumers Energy reported it began commercial operations at its 100 MW Lake Winds Energy Park on November 22. Consumers constructed the wind energy park to help meet a requirement in Michigan's energy law that by 2015, 10 percent of the electricity it provides will come from renewable sources in the state.

<http://www.consumersenergy.com/News.aspx?id=5874&year=2012>

Enbridge to Expand to Edmonton-to-Hardisty Crude Oil Mainline System in Alberta

Enbridge Inc. announced Thursday that its wholly owned subsidiary, Enbridge Pipelines Inc., has reached agreement with shippers on the terms of an expansion of its mainline system between Edmonton and Hardisty, Alberta. The expansion will include a new 36-inch pipeline, plus additional tankage and terminal facilities at Edmonton and Hardisty. Initial capacity of the new line will be 570,000 b/d with expansion potential to 800,000 b/d; and a target in service date in mid-2015. Enbridge anticipates filing an application with the National Energy Board by the end of the year. Subject to regulatory approvals, Enbridge expects to begin construction as early as the first quarter of 2014. The route of the proposed 179-kilometre pipeline between Edmonton and Hardisty is expected to generally follow the same route as Enbridge's existing Line 4 Pipeline.

<http://www.enbridge.com/EdmontonHardistyPipeline.aspx>

<http://www.enbridge.com/MediaCentre/News.aspx?yearTab=en2012&id=1695941>

Enbridge to Partner in Delivering 80,000 b/d of Bakken Crude by Rail to Philadelphia Refining Markets

Enbridge Inc. today announced its U.S. subsidiary, Enbridge Rail (Philadelphia) L.L.C., has entered into an agreement with Canopy Prospecting Inc. to create the Eddystone Rail Company to jointly develop a unit-train facility and related local pipeline infrastructure near Philadelphia, Pennsylvania to deliver Bakken and other light sweet crude oil to Philadelphia area refineries. The project is expected to handle 80,000 b/d in the third quarter 2013 and can ultimately be expanded to receive up to 160,000 b/d for subsequent transport by barge or pipeline to nearby refineries as early as mid-2014.

<http://www.enbridge.com/MediaCentre/News.aspx?yearTab=en2012&id=1696412>

BP Restarts FCCU at Its 455,790 b/d Texas City, Texas Refinery November 23

BP Plc reported it was restarting fluid catalytic cracking unit (FCCU) No. 1 at its Texas City refinery Friday, according to a filing with the Texas Commission on Environmental Quality. Emissions related to startup procedures were expected to continue until Sunday afternoon. The refinery had on Thursday reported emissions from FCCU-1 and an electrostatic precipitator were due to unknown causes.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176304>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176305>

Philadelphia Energy Solutions Restarts Units at Its 335,000 b/d Philadelphia, Pennsylvania Refinery November 16 after Shutdown Due to Power Failure; Restarts Cumene Unit November 19

Philadelphia Energy Solutions reported it was restarting crude, alkylation, and hydrodesulfurization units on November 16 after a power failure at the Girard Point and Point Breeze sections of its Philadelphia refinery. The refinery also reported it was restarting a cumene unit at Girard Point on November 19.

Reuters, 10:06 November 26, 2012

Phillips 66 to Restart FCCU at Its 146,000 b/d Borger, Texas Refinery November 26 after Maintenance Takes Longer Than Expected

Phillips 66 on Wednesday reported that maintenance at its Borger refinery was taking longer than expected, but it expected to restart the facility by the weekend. The refinery reported its fluid catalytic cracking unit (FCCU) No. 40 was scheduled to restart November 26, according to a filing with the Texas Commission on Environmental Quality. Phillips 66 said it was "working diligently to provide fuel supply in the areas of North Texas, Denver, and Albuquerque," and did not anticipate any significant impact to customers, a spokesman said in an email.

Reuters, 12:17 November 21, 2012

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176311>

Citgo Restarts Unspecified Unit at Its 167,000 b/d Lemont, Illinois Refinery November 23

Citgo Petroleum Corp. reported it was restarting a unit at its Lemont refinery on Friday, according to a filing with state pollution regulators. The refinery had previously reported it was conducting planned maintenance on several units in a November 5 filing with regulators.

Reuters, 18:08 November 25, 2012

NCRA Reports Hydrogen Sulfide Release at Its 85,500 b/d McPherson, Kansas Refinery November 23

The National Co-Op Refinery Association (NCRA) reported a release of hydrogen sulfide from the boiler house at its McPherson refinery on Friday, according to a filing with the U.S. National Response Center. Operators were investigating the cause of the release.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1031375

Mechanical Malfunction Releases Hydrogen Sulfide Vapor at Shell's 156,400 b/d Martinez, California Refinery November 24

Royal Dutch Shell Plc reported a mechanical malfunction released hydrogen sulfide vapor at its Martinez refinery on Saturday, according to a filing with the California Emergency Management Agency.

Reuters, 19:10 November 25, 2012

Natural Gas

Worker Error Causes Columbia Gas Pipeline Explosion in Massachusetts November 23

A natural gas explosion that injured more than 20 people and damaged 42 buildings in Springfield, MA Friday night was caused when a utility worker accidentally punctured a high-pressure pipeline while looking for a leak, according to Columbia Gas Co. The worker damaged the underground pipe while using a metal tool to locate the source of the leak. A flood of gas then built up in a building, and some kind of spark touched off the blast, officials said.

<http://finance.yahoo.com/news/employee-mass-gas-explosion-did-135633314.html>

Communications Equipment Malfunction Causes Flaring at Regency's 290 MMcf/d Waha Gas Plant in Texas November 25

Regency Energy Partners reported flaring at its Waha gas plant on Sunday was caused when remote electronic communications between the Operational Control Room and the acid gas compressor (AGC) injection process was lost, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176323>

Other News

Update: DOE Issues Grant to Babcock & Wilcox to Develop and Commercialize Small Modular Nuclear Reactors

The U.S. Department of Energy (DOE) on December 20 announced an award to support a new project led by Babcock & Wilcox (B&W), in partnership with the Tennessee Valley Authority (TVA) and Bechtel, to design, license, and help commercialize small modular reactors (SMR) in the United States. Announced in March 2012, the DOE's funding program is intended to help develop and deploy SMRs across the United States before 2022. B&W will receive funding that will support accelerated development of its B&W mPower SMR technology, in a project that seeks to build and license smaller nuclear reactors that can be built offsite and then shipped to their eventual locations.

<http://energy.gov/articles/energy-department-announces-new-investment-us-small-modular-reactor-design-and>
http://www.babcock.com/news_and_events/2012/20121120a.html

International News

Yemen Troops Battle Tribesmen after New Attack on 110,000 b/d Maarib Crude Oil Pipeline November 21

A Yemeni oil ministry official reported troops were battling tribesmen who blew up the country's main oil export pipeline again on Wednesday and are preventing it from being fixed. The Maarib crude oil pipeline was already out of operation when it was attacked on Wednesday, because workers have been unable to fix it since it was blown up in two places on November 12. The 270-mile long pipeline carries around 110,000 b/d of Maarib light crude to the Ras Isa export terminal on the Red Sea coast and is Yemen's main oil export pipeline.

<http://www.reuters.com/article/2012/11/21/us-yemen-oil-pipeline-idUSBRE8AK0GE20121121>

Energy Prices

U.S. Oil and Gas Prices			
November 26, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	87.30	89.05	97.95
NATURAL GAS Henry Hub \$/Million Btu	3.59	3.46	3.11

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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