



ENERGY ASSURANCE DAILY

Wednesday Evening, December 03, 2014

Electricity

Update: Detroit Public Lighting Department Reports Nearly All Power Restored after Major Downtown Power Outage December 2

The Detroit Public Lighting Department (DPLD) reported a major outage at approximately 10:30 a.m. EST on Tuesday that cut power to public buildings in downtown Detroit, Michigan. Roughly 100 customers and more than 900 sites were affected, including fire stations, schools, public transportation, and traffic signals. The city said late Tuesday afternoon that power had been restored to all customers, though two city facilities served by the grid had not yet powered up. Detroit's mayor said a cable that feeds an electrical substation failed on Tuesday morning, and when Detroit Public Lighting began to move customers to another working circuit, a breaker on the second circuit failed and triggered a system shutdown.

<http://finance.yahoo.com/news/power-outage-hits-downtown-detroit-172739942.html>

NYISO Says EPA's Clean Power Plan Presents Serious Reliability Implications for New York Grid

Stressing concerns about the potential implications for electric system reliability and the lack of recognition of the progress the state has already made in achieving significant reductions in CO2 emissions, the New York Independent System Operator (NYISO) filed comments with the Environmental Protection Agency (EPA) on the proposed Clean Power Plan. "As proposed, the Clean Power Plan presents potentially serious reliability implications for New York," the NYISO stated. "A majority of the electric capacity within New York City is dual-fuel oil/gas steam-fired electric generating units. These units are critically important, both due to their location within the transmission constrained New York City area and because they possess dual-fuel capability that provides a needed measure of protection against disruptions in the natural gas supply system." In its comments, the NYISO questioned the EPA's assumption that the output from these important dual-fuel units could be reduced by over 99 percent while maintaining reliable electric service to New York City. "Such a reduction cannot be sustained while maintaining reliable electric service to New York City," said the NYISO. "Congress recognized in the Energy Policy Act of 2005 that the population density of the New York City area, the percentage of the population that lives or works in very tall buildings and relies upon underground transportation, and the critical importance of institutions located there intensify the need to maintain the reliability of New York's electric system. The EPA should do the same."

http://www.nyiso.com/public/webdocs/media_room/press_releases/2014/NYISO%20Files%20Comments%20on%20EPA%20Clean%20Power%20Plan%20-%202012-02-14%20-%20FINAL.PDF

NEI Says EPA's Proposed Carbon Rule Does Not Help Preserve Existing Nuclear Capacity, Unfairly Penalizes New Nuclear Plants

The Nuclear Energy Institute (NEI) on December 1 said the Environmental Protection Agency's (EPA's) treatment of nuclear energy in its proposed carbon reduction regulations is fundamentally flawed and must be reworked, to the agency. EPA has proposed new regulations under Section 111(d) of the Clean Air Act to reduce carbon emissions from existing power plants. EPA's proposed rule recognizes the importance of nuclear energy in reducing electric sector carbon emissions and attempts to create an incentive for states to preserve existing nuclear generating capacity. As proposed, however, the rule does not achieve that objective, NEI warned. In addition, the proposed rule creates a significant, inappropriate and inequitable penalty for Georgia, South Carolina, and Tennessee, where new reactors are being built. "State government officials, policymakers, the industry and other stakeholders have told EPA that the nuclear energy-related provisions in the rule must be changed to maintain the benefits Americans receive from these large-scale, carbon-free facilities," NEI President and Chief Executive Officer Marvin Fertel said. "The agency must revise its proposal to ensure that states have a sufficient incentive to preserve existing nuclear power plants and to build the new nuclear energy facilities that will be required to achieve meaningful carbon reductions and meet the administration's goal."

<http://www.nei.org/News-Media/News/News-Archives/Despite-Intent,-EPA-Climate-Rule-Methodology-Wrong>

Low-Risk Cyber Security Issue Found at PPL's 1,105 Susquehanna Nuclear Plant in Pennsylvania

The operators of the PPL Susquehanna Steam nuclear power plant in Salem Township stated that they were in the process of correcting an undisclosed cyber security issue at the plant identified by the U.S. Nuclear Regulatory Commission (NRC). The issue was described as a low-risk issue and interim measures were put in place to address the vulnerability following the NRC inspection until the permanent measures are complete.

<http://citizensvoice.com/news/low-risk-cyber-security-issue-found-at-nuclear-plant-1.1796000>

FPL's 510 MW Point Beach Nuclear Unit 1 in Wisconsin Shut December 2

The unit was shut on December 2 from full power due to failure of the condensate pump.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20141203en.html>

Ameren's 1,125 MW Callaway Nuclear Unit in Missouri Shut December 3

The unit was shut on December 3 from full power due to a turbine trip.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20141203en.html>

Update: Luminant's 1,150 MW Comanche Peak Nuclear Unit 2 in Texas at Full Power by December 3

On the morning of December 2 the unit was operating at 89 percent, reduced from full power on December 1.

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

Update: Ace's 118 MW Cogeneration Coal-fired Unit in California Returns to Service by December 2

The unit returned from an unplanned outage that began by October 1.

<http://content.caiso.com/unitstatus/data/unitstatus201412021515.html>

PCWA's 218 MW Middle Fork and Ralston PSP Hydro Unit in California Shut by December 2

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201412021515.html>

Abengoa Yield's 280 MW Mojave Solar Plant in California Begins Commercial Operation December 1

Abengoa Yield on Tuesday announced that its 280 MW Mojave solar plant located in California began commercial operation on December 1. Mojave will supply clean electricity to Pacific Gas & Electric Company (PG&E) under a 25-year power purchase agreement.

<http://www.abengoyield.com/export/sites/abengoa-yield/.content/galleries/documents/news/20141201-NP-COD-Mojave-en.pdf>

Petroleum

Marathon to Start Condensate Splitter at Its 242,000 Catlettsburg, Kentucky Refinery by January 1

Marathon Petroleum Corp plans to start its new condensate splitter at its refinery in Catlettsburg, Kentucky by January 1, two people familiar with the plant's operations said Wednesday. Company officials had previously said that construction of the 35,000 b/d condensate splitter would be complete in the first quarter of 2015.

Reuters, 11:18 December 3, 2014

Marathon Reports Ultracracker Start Up at Its 451,000 b/d Galveston Bay, Texas Refinery December 3

Marathon Petroleum Corp reported emissions from the 60,000 b/d ultracracker at its Galveston Bay, Texas refinery. The refinery reported it followed startup procedures and sent as much off gas to refinery fuel system as possible.

Reuters, 10:01 December 3, 2014

Update: Valero Continues Restart of HCU at Its 330,000 b/d Port Arthur, Texas Refinery December 2

Valero Energy Corp was continuing the restart of a 45,000 b/d hydrocracking unit (HCU) on Tuesday at its Port Arthur, Texas, refinery, said sources familiar with operations at the refinery. On Tuesday, workers were repairing leaks that developed on the unit during the process of bringing the hydrocracker on line after completing a seven-week overhaul of the unit that began on October 7, the sources said. The hydrocracker has not resumed production at any time during the restart process, the sources said.

Reuters, 17:39 December 2, 2014

Valero Reports Upset at Its 330,000 b/d Corpus Christi, Texas Refinery December 2

Valero Energy Corp reported an upset at complex 7 of its Corpus Christi, Texas, refinery, according to a filing with the Texas Commission on Environmental Quality. The streams were routed to the authorized control devices to return to normal operations as quickly as possible.

Reuters, 14:56 December 2, 2014

Chevron Reports Unit Start Up at Its 245,271 b/d Richmond, California Refinery December 2

Chevron Corp reported a unit start up December 2 after a two alarm fire at one of the pumps with no units shut down on November 23, according to a filing with Contra Costa Health Services. Chevron said the supply from the refinery was not affected.

Reuters, 18:46 December 2, 2014

Reuters, 20:40 December 2, 2014

Tesoro Reports Major Unit Start Up at Its 166,000 b/d Martinez, California Refinery November 28

Reuters, 18:48 December 2, 2014

Shell Reports Units Shut November 22 after Power Outage at Its 156,400 b/d Martinez, California Refinery

Reuters, 18:41 December 2, 2014

TransCanada Stops Work on Quebec Oil Export Terminal Due to Whales

TransCanada Corp is pausing work on a proposed oil export terminal in Quebec, after the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) recommended that Beluga whales in the St. Lawrence River be listed as an 'endangered' species. The COSEWIC said on Monday that the St. Lawrence Estuary Beluga faces increased environmental threats and that without protection, the population was at risk of extinction. A TransCanada spokesman said that the company will review its options for the Cacouna, Quebec terminal once it has analyzed the report and spoken with government and local communities. The Cacouna terminal is one of two marine export facilities planned as part of TransCanada's Energy East pipeline, which would carry 1.1 million b/d of crude oil to refineries and ports in Eastern Canada. The committee's recommendation that the Belugas be listed as 'endangered' will now be reviewed by Canada's Minister of the Environment. They are currently listed as threatened.

http://www.downstreamtoday.com/news/article.aspx?a_id=45518

Natural Gas

Constitution Pipeline Receives FERC Approval to Construct Project

Constitution Pipeline Company, LLC announced today that the Federal Energy Regulatory Commission (FERC) has issued an order approving construction of its proposed pipeline to increase natural gas supply to New York and New England markets, subject to certain conditions that will ensure the protection of natural resources. FERC on December 2 issued its certificate of public convenience and necessity for the 124-mile Constitution Pipeline. Assuming timely receipt of all remaining necessary regulatory approvals, Constitution Pipeline would begin construction as early as the first-quarter next year in order to help meet growing natural gas demand in New York and New England by the winter of 2015 or 2016.

https://constitutionpipeline.files.wordpress.com/2014/12/ferc-issues-certificate-on-constitution_news-release_120214.pdf

Southern Natural Gas Reports Unscheduled Pipeline Valve Maintenance West of Enterprise Compressor Station in Mississippi December 6–7

Southern reported it will be conducting unscheduled pipeline valve maintenance on the 26-inch South Main 2ND Loop line west of the Enterprise compressor station located in Mississippi. The pipe segment will be out of service December 5–7. Capacity through Enterprise compressor station could be reduced as much as 200 MMcf/d during this outage. Interruptible service and possibly Secondary (B-1) services could be impacted.

<http://ixsnp.sonetpremier.com/ebbmastertpage/Notices/NoticesAutoTable.aspx?code=SNG&status=Notice&name=Critical%20Notices&sParam1=007&sParam7=36484&sParam11=D&details=Y>

Other News

Nothing to report.

International News

Update: Shell Reopens TNP Bonny Crude Oil Pipeline in Nigeria after Leak

Shell reopened its Nigerian 28-inch TNP Bonny Light crude oil pipeline after an investigation due to a leak November 22, a spokeswoman for the company said on Wednesday. The 24-inch pipeline, the source of crude spill, remains closed, the spokeswoman said.

<http://businessdayonline.com/2014/12/shell-reopens-one-tnp-bonny-crude-oil-pipeline-other-remains-closed/#.VH8iDjHF-5g>

Energy Prices

U.S. Oil and Gas Prices			
December 3, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	67.25	73.88	95.73
NATURAL GAS Henry Hub \$/Million Btu	3.74	4.13	3.85

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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