



# ENERGY ASSURANCE DAILY

Wednesday Evening, November 12, 2014

## *Electricity*

### **Strong Winds Knock Out Power to 222,500 Customers in U.S. Northwest and British Columbia November 11**

Winds gusting up to 60 mph knocked out power to 222,500 customers in Oregon, Washington, and British Columbia Tuesday night. As of 3:30 p.m. EST, 56,475 customers remained without power. Puget Sound Energy, the hardest hit utility, said all customers should have power restored by noon PST on Friday.

<b>U.S. Northwest and British Columbia Customer Power Outages</b>			
November 11–12, 2014			
<b>Electric Utility</b>	<b>State</b>	<b>Peak</b>	<b>Latest Reported</b>
Portland General Electric	OR	15,000	12,016
Puget Sound Energy	WA	195,800	43,546
Tacoma Public Utilities	WA	1,700	100
B.C. Hydro	British Columbia	10,000	813
<b>TOTAL*</b>		<b>222,500</b>	<b>56,475</b>

\*Total outages represent only electric utilities listed in this table.

Sources:

- <https://twitter.com/portlandgeneral>
- [https://www.portlandgeneral.com/safety\\_outages/outages/outage\\_updates/outage\\_list.aspx](https://www.portlandgeneral.com/safety_outages/outages/outage_updates/outage_list.aspx)
- <https://pse.com/accountsandservices/ServiceAlert/Pages/Outage-Map.aspx>
- <https://twitter.com/PSETalk>
- <https://twitter.com/mytpu>
- <https://twitter.com/bchydro>
- <http://www.bchydro.com/outages/orsTableView.jsp>
- [http://www.oregonlive.com/portland/index.ssf/2014/11/thousands\\_of\\_pge\\_customers\\_wit.html](http://www.oregonlive.com/portland/index.ssf/2014/11/thousands_of_pge_customers_wit.html)
- <http://q13fox.com/2014/11/11/pse-some-in-south-king-county-could-be-without-power-until-3-p-m-tomorrow/>
- <http://www.cbc.ca/news/canada/british-columbia/gusting-winds-leave-thousands-without-power-across-lower-mainland-1.2831892>

### **Update: Indiana-Michigan Power’s D.C. Cook Nuclear Units 1 and 2 in Michigan Back Online by November 11 after Shutting November 1 Due to Damaged Water Screens**

Both units had restarted by November 11 and as of November 12, unit 1 had ramped up to full power and unit 2 had ramped up to 48 percent. The company said it shut the units November 1 after excessive debris from large lake swells damaged several water screens. The screens remove debris carried in through three 16-foot cooling water intake tunnels. The power company said it acted out of caution because it couldn't be sure of an adequate cooling water supply to the non-nuclear side of the plant.

- <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>
- <http://www.therepublic.com/view/story/787958574d9b440a91a963280b9657ad/MI--Nuclear-Plant-Lake-Michigan>

### **Update: FirstEnergy’s 1,235 MW Perry Nuclear Unit 1 in Ohio Restarts, Ramps Up to 14 Percent by November 12**

The unit experienced an automatic shutdown November 7. A preliminary investigation determined that a voltage issue in one of the electrical panels that supplies power to cooling pumps was the cause of the shutdown.

- <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>
- [http://www.cleveland.com/business/index.ssf/2014/11/perry\\_nuclear\\_power\\_plant\\_shut\\_1.html](http://www.cleveland.com/business/index.ssf/2014/11/perry_nuclear_power_plant_shut_1.html)

## **High Winds, LLC's 162 MW Energy Center Wind Unit in California Shut by November 11**

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201411111515.html>

## **Crockett Cogeneration LP's 240 MW Gas-fired Unit in California Shut by November 11**

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201411111515.html>

## **Entergy Plans \$23 Million Transmission Operations Center to in Jackson, Mississippi to Reduce Tornado and Hurricane Risks**

Entergy Corp. is planning to build a \$23 million transmission operations center at a site in northern Jackson, Mississippi. The building, along with a twin facility in Little Rock, Arkansas, will replace six current transmission centers. The buildings will be designed to withstand the strongest tornadoes, and are inland to avoid the worst risks from hurricanes. The centers will monitor the status of Entergy's electric transmission system and turn power on and off across the grid. The company expects the project to be completed in summer 2016.

[http://newsok.com/entergy-plans-23m-center-to-monitor-power-grid/article/feed/758534?custom\\_click=rss&utm\\_source=feedburner&utm\\_medium=feed&utm\\_campaign=Feed%3A+newsok%2Fbusiness+%28NewsOK.com+RSS+-+business%29](http://newsok.com/entergy-plans-23m-center-to-monitor-power-grid/article/feed/758534?custom_click=rss&utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+newsok%2Fbusiness+%28NewsOK.com+RSS+-+business%29)

## ***Petroleum***

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### **Crews Responding to Spill from BP's Olympic Pipeline Pump Station in Washington; Spill Shut 20-Inch Line October 29**

The Washington Department of Ecology and personnel from the Olympic Pipeline Co. are responding to an oil spill at the Olympic Pipeline pump station near Mount Vernon, Washington. Olympic Pipeline Company first reported the oil to Ecology October 29 after discovering a sheen on water in an excavation pit. The pipeline was closed October 29 to investigate the sheen. Olympic Pipeline is a 400-mile interstate pipeline system that includes 12-inch, 14-inch, 16-inch, and 20-inch pipelines. The pipeline runs along a 299-mile corridor from refineries near Blaine, Washington to a number of delivery locations from Seattle, Washington, to Portland, Oregon. The system transports gasoline, diesel, and jet fuel. State and pipeline personnel responders have been monitoring the spill site to determine the source, type, and location of the oil and to plan cleanup strategies. Olympic Pipeline crews on Tuesday performed a test under flowing conditions on the 20-inch pipeline and found a leak in a ½-inch connection of piping associated with a mainline pump discharge valve. Since this investigation began crews recovered 60 gallons of transmix (a mixture of diesel, jet fuel, and gasoline). Currently, the leak is secure and the 20-inch pipeline is shut down. Olympic's 16-inch pipeline is in service. Crews plan to make repairs on the valve and get the pipeline back in operation. Meanwhile, response crews will continue to work with state officials to remediate any remaining traces of hydrocarbons in the soil at the site.

<http://www.ecy.wa.gov/news/2014/177.html>

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

### **Update: Sunoco Ends Response to October 13 Spill from 280,000 b/d Mid-Valley Crude Oil Pipeline in Louisiana**

Sunoco Logistics Partners said all 4,100 barrels of recoverable oil was removed from the environment in and around Tete Bayou, Louisiana from the October 13 Mid-Valley pipeline spill in Caddo Parish. The estimated volume of the release was 4,500 barrels. Sunoco said the spill response had moved into the monitoring and maintenance phase. The Mid-Valley Pipeline carries crude oil from Longview, Texas to Samaria, Michigan, serving Midwestern refineries.

Reuters, 16:26 November 10, 2014

### **BNSF Puts Moratorium on Adding More Oil Tank Cars to Avoid Worsening Railway Congestion – Sources**

BNSF Railroad has told some customers that they can't add new oil tank cars to its system until next year, according to two people familiar with the matter. Oil shippers seeking to add as many as a dozen new crude oil trains to BNSF's lines, or more than 1,000 tank cars, have been blocked out, one of the sources said. The moratorium on new cars, which customers were informed of in recent weeks, is BNSF's latest effort to avoid worsening congestion on its rail network amid record freight traffic and growing scrutiny from lawmakers and federal regulators upset by months of complaints over poor service and delays.

Reuters, 7:00 November 12, 2014

### **Northern Tier Expects to Resume Service of Heavy Crude Unit at Its 96,500 b/d Saint Paul, Minnesota Refinery November 20 after Fire November 11 – Sources**

Northern Tier expects to resume service of the 40,000 b/d heavy crude unit at its Saint Paul, Minnesota, refinery around November 20, as scheduled, after a brief fire broke out within the unit, a person familiar with the facility's operations said on Wednesday. The unit at the Saint Paul refinery was shut for maintenance at the time of the fire on Tuesday, a company spokesman said. Northern Tier Energy said on November 4 that it planned a 10- to 15-day turnaround for catalyst replacement for its distillate hydrotreater and crude unit.

Reuters, 11:50 November 12, 2014

### **Phillips 66 Reports Flaring Due to Upset Conditions at Its 336,000 b/d Wood River, Illinois Refinery November 12**

Reuters, 4:05 November 12, 2014

### **Valero Reports Emissions Due to Malfunction at Its 85,000 b/d Ardmore, Oklahoma Refinery November 10**

Reuters, 11:24 November 12, 2014

### **Flint Hills Says Ship Channel Leak Repair Expected Throughout the Week at 293,000 b/d Corpus Christi, Texas Refinery**

Flint Hills Resources was expected to continue repair and cleanup work through the week at its 293,000 b/d Corpus Christi, Texas, refinery, local media Corpus Christi Caller Times reported on its website. The refinery reported it was responding to a leak into the Corpus Christi ship channel on Saturday due to operating conditions. Flint Hills said the line that was leaking was isolated, depressurized, and decommissioned. The leak, along with another incident involving the west refinery, remained under investigation, the local media report said, citing a spokeswoman of the Texas Commission on Environmental Quality (TCEQ).

Reuters, 13:44 November 11, 2014

Reuters, 20:36 November 10, 2014

### **Phillips 66 Reports FCCU Shut at Its 146,000 b/d Borger, Texas Refinery November 8**

Phillips 66 reported the shutdown of the fluid catalytic cracking unit 40 (FCCU) starting Saturday at its Borger, Texas refinery, according to a filing with the Texas Commission on Environmental Quality. The unit was expected to be started up on November 20, the filing said. The heavy oil catalytic cracking unit 40 has a capacity of 30,000 b/d.

Reuters, 21:36 November 9, 2014

### **Tesoro Says Unit Shutdown Led to Flaring at Its 251,000 b/d Carson, California Refinery November 11**

Tesoro said its Carson, California refinery had an unplanned flare event due to a unit shutdown (unspecified) on November 11. The refinery was resuming normal operations and the event did not have any impact upon the refinery's ability to meet product supply commitments, according to the company.

Reuters, 10:09 November 12, 2014

### **Shell Says Crude Tank Fire under Control at Its Sarnia, Ontario Manufacturing Centre November 11**

A fire that broke out in a crude oil tank at Shell Canada's Sarnia Manufacturing Centre, Ontario, on Tuesday, was brought under control with no injuries reported, a Shell spokesman said. The tank was out of service so there was no burning product, according to a spokesman. The local St. Clair fire department responded to the incident at Shell's Sarnia Manufacturing Centre, which is also home to the 75,000 b/d Corunna refinery.

Reuters, 12:42 November 11, 2014

## **Tesoro Applying for Permits to Create 363,000 b/d Oil Refinery in California**

Tesoro is applying for permits to combine its 139,000 b/d Wilmington and 251,000 b/d Carson, California, refineries into one mega-refinery that would be the largest in California. The company plans to spend \$250 million to create an upgraded complex that “would be able to process oil from almost anywhere around the globe—including heavy or light crude—and would be able to produce 363,000 b/d of refined fuel.” That’s the same amount the two refineries are producing now, but at the new refinery it could include tar sands crude from Canada and light crude oil from the Bakken oil fields in North Dakota, both of which would travel by rail to the South Bay. The South Coast Air Quality Management District will likely vote on the new refinery project next year.

[http://la.curbed.com/archives/2014/11/texas\\_company\\_wants\\_to\\_create\\_californias\\_biggest\\_oil\\_refinery\\_in\\_the\\_south\\_bay.php](http://la.curbed.com/archives/2014/11/texas_company_wants_to_create_californias_biggest_oil_refinery_in_the_south_bay.php)

## **Valero to Start Up Expanded HCU at Its 125,000 b/d Meraux, Louisiana Refinery**

### **December 1 – Sources**

Valero Energy Corp.’s Meraux, Louisiana, refinery plans to start up a newly expanded hydrocracking unit (HCU) by December 1, said sources familiar with operations at the refinery. A Valero spokesman said the company announced during a November 4 earnings conference call that the addition of 20,000 b/d in capacity to the 35,000 b/d HCU would be completed in the current quarter. The expansion work has been completed and catalyst has been placed in the hydrocracker, the sources said. The catalyst is being prepared for production and could be ready by late next week.

Reuters, 17:14 November 11, 2014

## **CB&I to Build 22 MMcf/d Hydrogen Plant for Coffeyville Resources’ 115,000 b/d Refinery in Kansas**

CB&I on Tuesday announced it was awarded a contract by Coffeyville Resources Refining & Marketing LLC to engineer, procure, fabricate, and construct a 22 MMcf/d hydrogen plant at its refinery in Coffeyville, Kansas.

<http://www.hydrocarbonprocessing.com/Article/3399496/Latest-News/CB-I-to-build-hydrogen-plant-for-Kansas-refinery.html>

<http://www.cbi.com/investor-relations/news-releases?release=1988281>

## **Imperial Shuts Its 110,000 b/d Kearl Oil Sands Mine in Alberta for Several Weeks Due to Vibration Issue**

Imperial Oil Ltd said on Monday it has shut its Kearl oil sands mine in northern Alberta for several weeks after detecting what it called a “vibration issue” in the facility’s ore-crushing unit. The company said the shutdown is likely to be lengthy as replacement parts are installed.

Reuters, 18:23 November 10, 2014

## **Pembina Pipeline Announces 75,000 b/d Condensate and NGL Pipeline Expansion in Northeast British Columbia**

Pembina Pipeline Corporation on Tuesday announced it entered into binding agreements to proceed with a \$210 million expansion to Pembina’s pipeline infrastructure in northeast British Columbia (the NEBC Expansion). The NEBC Expansion will transport condensate and natural gas liquids for various producers in the liquids-rich Montney resource play. The Project entails the construction of approximately 100-miles of up to 12-inch diameter pipeline with a base capacity of up to 75,000 b/d that will parallel the Company’s Blueberry pipeline system northwest of Taylor, B.C. to the Highway/Blair Creek area of B.C. Subject to regulatory and environmental approval, Pembina anticipates bringing the NEBC Expansion on-stream in the second quarter to fourth quarter of 2017 timeframe.

<http://www.pembina.com/media-centre/news-releases/news-details/?nid=135260>

## **New York Issues Draft Permit for Crestwood Midstream’s Finger Lakes Salt Cavern Propane Storage Plan**

The Department of Environmental Conservation (DEC) released draft permit conditions for a proposed propane storage facility in a depleted Finger Lakes salt cavern. The DEC said the move doesn’t signal an ultimate decision on the controversial project, which has been under review for five years. The agency has scheduled an issues conference on February 12 in Horseheads because of extensive public interest in the proposal by Crestwood Midstream to store propane beside Seneca Lake. The release of draft permit conditions on Monday was part of the process leading to that conference. The issues conference will determine if there are significant issues that require a hearing before a judge. To participate, individuals or groups must file a petition for party status by December 10.

Reuters, 3:17 November 12, 2014

### **Veresen's Jordan Cove LNG Export Project in Oregon and Pacific Connector Gas Pipeline Receive Draft Environmental Impact Statement from FERC**

Veresen Inc's planned liquefied natural gas (LNG) export project in Oregon would not cause significant environmental harm, federal regulators said in a draft report released on Friday. The Federal Energy Regulatory Commission's (FERC's) draft review found that the proposed Jordan Cove plant would have some "limited adverse environmental impacts," but most could be reduced with mitigation measures. FERC outlined a number of steps that Veresen could take to protect the environment, including incorporating detailed seismic specifications in the final design to protect the project from future earthquakes and tsunamis and setting up an inspection and monitoring program to ensure compliance with any final FERC recommendations. The public will have 90 days to comment on FERC's report, with a final environmental analysis expected to be released next year.

<http://www.vereseninc.com/jordan-cove-lng-and-pacific-connector-gas-pipeline-receive-draft-environmental-impact-statement/>

Reuters, 16:04 November 7, 2014

### **Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas November 11**

Regency reported the acid gas injector (AGI) compressor shut on high first stage suction temperature. The second reflux cooler was placed into service to lower the suction temperature.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=206298>

### **DCP Midstream Reports Flaring Due to Shut Booster at Its 160 MMcf/d Goldsmith Gas Plant in Texas November 10**

DCP Midstream reported the five pound flare opened due to excessive field pressure caused by the Wight booster NR1 being down. The booster was restarted and operators made adjustments to the plant until pressure decreased and the flare valve shut.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=206290>

## *Other News*

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Nothing to report.

## *International News*

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### **Libya's El Sharara Oilfield Shut Due to Blocked Pipeline Shortly after Restarting – NOC**

Libya shut the El Sharara oilfield, hours after resuming production at 100,000 b/d, a spokesman for state National Oil Corp (NOC) said on Wednesday, citing a blocked pipeline. The field was closed last week due to clashes in the remote southern area.

Reuters, 11:22 November 12, 2014

Reuters, 7:31 November 12, 2014

## Energy Prices

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U.S. Oil and Gas Prices			
November 12, 2014			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	77.11	78.20	94.52
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.06	3.66	3.62

Source: Reuters

## Links

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***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](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>

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)