



ENERGY ASSURANCE DAILY

Thursday Evening, January 05, 2017

Electricity

Power Restoration Continues after Snowstorm Hits Northern California, Oregon January 4-5

A winter storm bringing heavy snow knocked out power to at least 12,000 Pacific Power customers and 4,200 Portland General Electric customers in Northern California and Southern Oregon on Wednesday with affects continuing into Thursday. As of 3:30 p.m. EST Thursday, 3,051 Pacific Power customers and 13 Portland General Electric customers remained without power. The utilities said crews were battling waist-high snow, damage from fallen trees, and closed roads in many areas as they work to restore power. Pacific Power said the hardest hit areas in Josephine and Jackson counties in Oregon and Siskiyou County in California may not have power restored until Friday.

<https://www.pacificpower.net/about/nr/nr2017/power-restoration-snow-storm.html>

<https://www.portlandgeneral.com/outages/outage-list>

<http://www.kajo.com/news/local/stories.php?subaction=showfull&id=1483601760&ucat=2,4>

http://www.oregonlive.com/weather/index.ssf/2017/01/cold_weather_persists_through.html

Update: Southern's 839 MW Farley Nuclear Unit 2 in Alabama Ramped Up to 99 Percent by January 5

On the morning of January 4 the unit was operating at 62 percent, reduced from 100 percent on January 3.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2017/>

Update: Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Ramps Up to 95 Percent by January 5

On the morning of January 4 the unit was operating at 75 percent, reduced from 100 percent on January 2.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2017/>

Petroleum

Coast Guard Reports Fire Extinguished on Renaissance Offshore's Oil Platform in Gulf of Mexico January 5

The Coast Guard on Thursday said a fire on a Renaissance Offshore, LLC oil platform in the Gulf of Mexico near Grand Isle, Louisiana had been extinguished and the source of the oil was secured. Watchstanders at Coast Guard Sector New Orleans were notified at approximately 2:30 a.m. CST Thursday that an oil production platform caught fire approximately 80 miles south of Grand Isle. Four people aboard the platform were evacuated and the cause of the incident was under investigation.

<http://www.uscgnews.com/go/doc/4007/2910858/>

Chevron Reports Unit Upset, Emissions at Its 330,000 b/d Pascagoula, Mississippi Refinery December 29

Chevron Corp reported a unit upset caused the release of sulfur dioxide through the flare at its Pascagoula, Mississippi refinery on December 29, according to a filing with the National Response Center made public on Thursday.

Reuters, 10:01 January 5, 2017

PBF Reports Odor Due to Tank Operations at Its 151,300 b/d Torrance, California Refinery January 4

PBF Energy said tank operations at its Torrance, California refinery resulted in an odor. Refinery personnel took immediate actions to mitigate the odor, PBF said.

Reuters, 16:13 January 4, 2017

DEC Investigates Oil, Water Spill at Tesoro's 58,500 b/d Kenai, Alaska Refinery

The Alaska Department of Environmental Conservation (DEC) in a December 27 situation report said it was investigating a report of blackened snow near the wastewater tank at Tesoro's Kenai, Alaska refinery during a nightly inspection on December 18. The company estimated that approximately 165 gallons of a crude oil and water mixture had spilled—about 55 gallons into the secondary containment area around the wastewater tank and 110 gallons outside the containment area, according to the report. The company shut down all pipelines running to and from the wastewater tank and emptied the leaking pipeline as well as other lines in the area. Tesoro is focusing on cleanup efforts and the cause of the leak remains under investigation, a specialist for the Cook Inlet/Kodiak Unit Environmental Program said.

<http://homernews.com/homer-news/business/2017-01-04/dec-investigates-small-spill-at-tesoro>

Commercial U.S. Crude Inventories Fall by 7.1 Million Barrels December 30 – EIA

Commercial U.S. crude inventories fell by 7.1 million barrels to about 479 million barrels during the week ending December 30, the Energy Information Administration (EIA) said on Thursday. Crude stocks at the Cushing, Oklahoma delivery hub rose by 1.07 million barrels to about 67.5 million barrels, EIA said.

Reuters, 11:06 January 5, 2017

Natural Gas

Update: EPNG's Guadalupe Compressor Station in Arizona to Return to Service January 7 after Declaring Force Majeure January 3

El Paso Natural Gas Company (EPNG) on Thursday said its Guadalupe Compressor Station will return to service on January 7 after declaring force majeure due to an equipment failure associated with the compressor station on January 3. The capacity through the Cornudas LPW constraint will be increased to the normal base capacity effective for the Timely Nomination Cycle for Gas Day January 7, EPNG said.

<http://passportebb.el Paso.com/ebbmasterpage/Notices/NoticesAutoTable.aspx?code=EPNG&status=Notice&name=Critical%20Notices&sParam1=1&sParam3=16725&sParam4=D&details=Y>

Update: Destin Pipeline Limits Some Offshore Transportation Services January 7 after Enterprise's 1.5 Bcf/d Pascagoula Gas Processing Facility Restarts December 15

Destin Pipeline Co. said beginning gas day January 7, flows from the MC254 receipt location to Enterprise's Pascagoula natural gas processing facility (PGP) will be limited to 90 mmcf/d until further notice. Volumes in excess of 90 mmcf/d from MC254 are required to move to the MP261JP until further notice. Destin began limited transportation service from several offshore points to the processing facility on December 17, but its pipeline system has remained in a state of force majeure until operations at the Pascagoula plant return to normal. The 225-mile Destin gas pipeline system can carry 1.2 Bcf/d from offshore producers to the Pascagoula plant, and then further north to interconnections with six major interstate gas transmission lines. The Pascagoula facility was shut on June 27 after two explosions damaged its processing trains, forced Destin to declare a force majeure event, and resulted in temporary offshore production platform shut-ins while operators adjusted transportation arrangements.

<https://bp.trellisenergy.com/ptms/public/infopost/viewNotices.do?noticeCategoryId=308201&tspId=1&proxyTspId=1&menuId=menu-info-posting-notices-critical>

Other News

Nothing to report.

Iraq Begins Reducing Oil Production in Agreement with OPEC Output Cuts – Oil Minister

Iraq has begun implementing measures to reduce national oil output in keeping with the Organization of the Petroleum Exporting Countries' (OPEC) decision in November to cut output to support prices, the oil minister said on Thursday. Beginning January 1, Iraq agreed to reduce output by 200,000 b/d to 4.351 million b/d. Reuters, 3:32 January 5, 2017

OPEC Oil Productions Falls 200,000 b/d in December – Reuters Survey

Crude oil output from OPEC producers fell by 200,000 b/d in December to 34.18 million b/d, down from 34.38 million b/d in November, according to a Reuters survey published on Thursday. Beginning January 1, OPEC countries have agreed to reduce total 32.50 million b/d in order to boost global crude oil prices. Reuters, 8:00 January 5, 2017

SPDC Shuts Trans Niger Export Pipeline after Fire in Nigeria January 3

Shell Petroleum Development Company (SPDC) shut the Trans Niger Pipeline (TNP) on January 3 following a “fire incident” in Ogoniland, according to a company spokesperson. The pipeline ships Nigeria’s Bonny Light export stream to SPDC’s export terminal. Bonny Light exports had been planned at 139,000 b/d in January. The TNP pipeline reopened on October 28, 2016 after a month-long shutdown related to a fire. Reuters, 5:05 January 5, 2017

Pemex Reports Fuel Distribution Issues Due to Protesters Blocking Oil Storage Terminals in Mexico January 4

Pemex on Tuesday said blockades of fuel storage terminals have led to a critical fuel situation in at least three Mexican states, adding that operations of nearby airports could also be affected. Beginning January 1, Mexico’s Finance Ministry raised fuel prices by 14 to 20 percent, prompting protests, including blockades of fuel storage terminals. Pemex said there were distribution problems in northern Chihuahua and Durango, as well as in Morelos just south of the Mexican capital. One association of gas stations with a large presence in Mexico City, Grupo Gasolinero G500, said in a statement late on Tuesday that it would shut some of its fueling stations on Wednesday where it has identified insufficient security.

<http://www.reuters.com/article/us-mexico-pemex-idUSKBN1400A1>

<http://www.reuters.com/article/us-mexico-gasoline-idUSKBN14P0HP>

Energy Prices

U.S. Oil and Gas Prices			
January 5, 2017			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	53.72	53.75	35.92
\$/Barrel			
NATURAL GAS			
Henry Hub	3.37	3.66	2.39
\$/Million Btu			

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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