



ENERGY ASSURANCE DAILY

Thursday Evening, January 09, 2014

Electricity

PJM Says Power Plants Returning After Cold Weather Problems January 8

PJM Interconnection said power plants knocked offline earlier this week by frigid temperatures were slowly returning to service as temperatures climbed Wednesday. PJM said it expected 27,000 MW of generation would be offline Wednesday evening, an improvement from the 39,500 MW that were shut earlier in the day. The amount of natural gas-fired generation expected to be offline due to curtailments of gas – about 9,000 MW – showed no improvement from earlier in the day, PJM said. Wednesday morning's outage figure represents nearly 21 percent of PJM's total generating capacity of 189,658 MW. In late December, before the sub-freezing temperatures moved into the central U.S., PJM outages were running at about 12 percent of total generation, according to grid data. Overall, PJM said between 35,000 and 38,000 MW were offline Tuesday, up from 30,200 MW Monday evening. Actual outages fluctuate throughout the day as operators shut plants, made repairs, and returned them to service, officials said. PJM's executive vice president for operations cited weather-related mechanical failures and natural gas supply problems, as well as normal generation issues, for the increased power-plant outages during the bitterly cold time period.

Reuters, 19:55 January 8, 2014

NStar Substation Fire Leaves 9,000 Customers Without Power in Massachusetts January 8

An electrical fire at an NStar substation in Medway, Massachusetts, caused thousands of customers to temporarily lose power Wednesday, company officials said. Initially, 6,000 customers from Medway and surrounding areas lost power but had it restored by noon, according to a spokesperson. Then, at 12:20 p.m., firefighters asked NStar to shut down the substation for their safety as they continued to battle the fire. This interrupted power for 9,000 customers, including some who had previously lost power, the spokesperson said. The fire was extinguished by 1:20 p.m. EST and power was restored to all customers by 1:30 p.m. by rerouting through other substations.

<http://www.boston.com/news/local/massachusetts/2014/01/08/substation-fire-leaves-medway-area-nstar-customers-without-power/PcZArIPgwIe6yTQqpoR18L/story.html>

https://twitter.com/NSTAR_News

Update: Entergy's 979 MW Indian Point Nuclear Unit 3 in New York Ramps Up to 45 Percent by January 9

By the morning of January 8 the unit had restarted and was operating at 1 percent, according to the Nuclear Regulatory Commission. The unit shut January 6 when an automatic reactor trip occurred on low steam generator water level due to a failed main feedwater valve.

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

Update: Exelon's 850 MW Dresden Nuclear Unit 2 in Illinois at Full Power by January 9

On the morning of January 8 the unit was operating at 33 percent, up from 17 percent power on January 7. The unit was operating at full power on January 6, according to the Nuclear Regulatory Commission.

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

Update: Luminant's 1,150 MW Comanche Peak Nuclear Unit 1 in Texas at Full Power by January 9

On the morning of January 7 and 8 the unit was operating at 72 percent, down from full power on January 6, according to the Nuclear Regulatory Commission. Luminant said it had reduced power on Monday after a heater drain pump tripped offline. The heater drain system was part of the non-nuclear portion of the plant and the company is investigating the cause of the trip.

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

Update: PBF Still Assessing Shut Processing Units at Its 180,000 b/d Paulsboro, New Jersey Refinery January 9

PBF Energy Inc. said on Thursday the company was continuing to assess its Paulsboro, New Jersey, refinery after loss of steam on Tuesday caused the unplanned shutdown of some units.

Reuters, 11:16 January 9, 2014

<http://investors.pbfenergy.com/phoenix.zhtml?c=250880&p=irol-newsArticle&ID=1888791&highlight=>

Lima Refining Reports Emissions Due to Frozen Pipeline at Its 155,000 b/d Lima, Ohio Refinery January 7

Lima Refining reported a gas release of hydrogen sulfide on Tuesday at its Lima, Ohio, refinery, according to a filing with the National Response Center. The release was secured on Wednesday, the filing said. The line froze due to the cold weather and it had to be diverted to flare.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1070403

Phillips 66 Reports Flaring at Its 362,000 b/d Wood River, Illinois Refinery January 8

Phillips 66 reported flaring at its Wood River refinery in Roxana, Illinois, according to a filing with state pollution regulators on Wednesday.

Reuters, 4:13 January 9, 2014

CVR Reports CCU Process Upset at Its 70,000 b/d Wynnewood, Oklahoma Refinery January 9

CVR Energy Inc. reported a process upset at a catalytic cracking unit (CCU) at its refinery in Wynnewood, Oklahoma, according to a filing with state regulators made public on Thursday.

Reuters, 10:56 January 9, 2014

ExxonMobil Reports Compressor Trip, Butadiene Release at Its 572,500 b/d Baytown, Texas Refinery January 8

ExxonMobil reported a compressor trip and release of butadiene to flare on Wednesday at its Baytown, Texas, refinery, according to a filing with the National Response Center.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1070483

Shell Reports Upset at Its Facility in Deer Park, Texas January 7

Royal Dutch Shell Plc said on Wednesday that its facility in Deer Park, Texas, which houses a 327,000 b/d refinery and a chemical plant, experienced an operational upset in an unspecified unit. There were no injuries associated with the incident, which occurred on Tuesday, a company spokesperson said. The company had earlier reported a crack in a line located in a pipe rack at the facility, which led to emissions from catalytic reformer unit 3, according to a filing with the state regulators.

Reuters, 14:46 January 8, 2014

Tesoro Says Production Not Impacted From Outage at Its 166,000 b/d Martinez, California Refinery January 8

Tesoro Corp. said a brief outage was experienced on an unspecified unit on at its Golden Eagle refinery in Martinez, California.

Reuters, 20:30 January 8, 2014

Magellan Midstream Reopens Open Season for Potential 75,000 b/d Little Rock, Arkansas Refined Products Pipeline

Magellan Midstream Partners, L.P. announced today that it had reopened the open season to solicit capacity commitments from shippers to transport up to 75,000 b/d of gasoline, diesel fuel, and jet fuel to Little Rock, Arkansas from the partnership's Ft. Smith, Arkansas terminal. This would provide the Little Rock market access to refined products from Mid-Continent and Gulf Coast refineries via Magellan's refined petroleum products pipeline system. Binding commitments are now due by 5 p.m. CST on January 16 and the potential pipeline could be operational in the third quarter of 2015.

<http://www.magellanlp.com/magellannews.aspx?id=2147483903>

Update: Questar Pipeline Completes Repairs to Processing System at 54 Bcf Clay Basin Storage Facility in Utah January 9 Ahead of Schedule

Questar has completed the repairs to the processing system at its Clay Basin Storage facility in Daggett County, Utah, ahead of schedule. As a result, Questar will begin accepting nominations to Northwest Pipeline beginning cycle 3 gas day January 9. Repairs were initially expected to be complete by January 10. Questar reduced nominations for delivery to Northwest Pipeline beginning gas day January 7 ID 2 cycle when a mechanical failure to the processing system made the facility unable to meet Northwest Pipeline's 15 degree Cricondentherm Hydrocarbon Dew Point (CHDP) requirement. Questar's Clay Basin storage facility has a working gas capacity of 54 Bcf and a cushion gas capacity of 66.21 Bcf. On January 6, prior to the mechanical failure, Northwest Pipeline withdrew 272 MMcf/d from the Clay Basin storage facility.

http://contracting.questar.com/pls/apexqrmpl/f?p=103:51:218740770929377::NOTICE_DETAIL:NO::P0_NOTICE_ID:14987

Northwest Pipeline Performing Emergency Maintenance at Pocatello Compressor Station in Idaho January 8

Northwest will be performing emergency maintenance on unit no. 4 at the Pocatello Compressor Station in Bannock County, Idaho. As a result, beginning gas day January 10, Northwest will declare an operational flow order (OFO) if primary nominations exceed the design capacity of 610 MMcf/d and will declare a deficiency period if primary nominations exceed the operational capacity of 560 MMcf/d. The work is expected to be completed on January 15. The Northwest Pipeline, owned by Williams Co., is a 4,000-mile bi-directional pipeline for the transmission of natural gas to the Pacific Northwest and Intermountain Region that provides access to British Columbia, Alberta, Rocky Mountain, and San Juan Basin gas supplies. The line's peak design capacity is 3.8 Bcf/d.

http://www.northwest.williams.com/NWP_Portal/northwest_notice_detail.action?format=¬ice_num=26639
<http://co.williams.com/williams/operations/gas-pipeline/northwest-pipeline/>

Other News

Nothing to report.

International News

Iraqi Kurdistan Will Export First Oil via New Pipeline to Turkey by End of January – Ministry of Natural Resources

The Kurdistan Regional Government (KRG) Ministry of Natural Resources (MNR) gave public notice on Wednesday of the start of the sale of its first shipment of crude oil exported via Kurdistan Region's new pipeline to the Port of Ceyhan, Turkey. MNR anticipates the sale of the first parcel of 2 million barrels of exported crude oil to occur at the end of January 2014. The monthly parcels will then increase to 4 million barrels by the end of February and 6 million by the end of March, then steadily stepping up to 10-12 million barrels for the month of December 2014. KRG invited bidders for the January tender.

<http://www.krg.org/a/d.aspx?s=010000&l=12&a=50388>

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| January 9, 2014 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 90.97 | 96.01 | 92.94 |
| NATURAL GAS Henry Hub \$/Million Btu | 4.36 | 4.31 | 3.21 |

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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