



ENERGY ASSURANCE DAILY

Monday Evening, January 09, 2017

Electricity

Power Restoration Continues after Winter Storm Hits Southeast January 6–9

A winter storm producing snow, freezing rain, and gusting winds knocked out power to at least 101,114 customers across the southeast beginning on Friday with affects lingering into Monday. The governors of Alabama, Georgia, South Carolina, and North Carolina issued executive orders waiving motor vehicle regulations to ensure restoration of utility services and transportation of essentials. Georgia Power, the hardest hit utility with at least 67,500 customer outages, said it had restored more than 98 percent of all impacted customers by Saturday evening. The company said ice covered trees and limbs falling on power lines accounted for the majority of power outages. As of 3:30 p.m. EST on Monday, 3,481 customers remained without power. The table below shows total affected customers and the latest reported outages by utility. The “Affected” column shows the total count of customers that lost power at one point or another over the course of the storm for each utility. These outages may not have occurred concurrently and are not the same as peak outages.

Southeast Customer Power Outages			
January 6–9, 2016			
Electric Utility	State	Affected	Latest Reported
Georgia Power	GA	67,500	129
Georgia EMC	GA	1,500	64
Duke Energy	NC	15,721	1,283
Dominion Power	NC	4,638	81
Duke Energy	SC	1,255	44
Dominion Power	VA	10,500	1,880

Sources:

- <https://www.georgiapower.com/about-us/media-resources/newsroom.cshtml>
- <http://outagemap.georgiapower.com/external/default.html>
- <https://georgiaemc.com/>
- <https://twitter.com/NCEmergency>
- <https://www.duke-energy.com/outages/current-outages-carolinas>
- <https://www.dom.com/outage-center>
- http://www.richmond.com/news/virginia/article_962c16e9-91a8-5887-8240-c08ce73dc798.html
- <http://www.governor.sc.gov/ExecutiveOffice/Documents/2017-01%20Declaring%20State%20of%20Emergency%20for%20Winter%20Weather.pdf>
- <http://governor-new.s3.amazonaws.com/s3fs-public/documents/files/CooperEO2VehicleRegulations1.6.2017.pdf>
- <http://www.governor.sc.gov/ExecutiveOffice/Documents/2017-01%20Declaring%20State%20of%20Emergency%20for%20Winter%20Weather.pdf>

Major Storm Knocks Out Power to 91,000 PG&E Customers in Northern California January 8–10

A major storm producing rain, snow, and winds knocked out power to at least 91,000 Pacific Gas & Electric (PG&E) customers in Northern California beginning on Saturday with affects continuing into Monday. The majority of outages were due to high winds causing trees, branches, and other debris to fly into power lines. As of 3:30 p.m. EST on Monday, 32,215 customers remained without power. PG&E said it expected most power to be restored by late Monday.

- https://m.pge.com/?WT.pgeac=Home_Outages#outages
- <https://twitter.com/pge4me>
- <http://www.latimes.com/local/california/la-me-live-winter-weather-california-more-than-90-000-californians-without-1483918037-htlmstory.html>

Entergy Reports Power Restoration Nearly Complete to 29,000 Customers in Louisiana after Substation Equipment Failure January 8

Entergy reported an equipment failure at a major substation on Sunday morning knocked out power to approximately 29,000 customers in Lake Charles, Louisiana. During cold weather, large outages require a utility to slowly bring customers back into service to prevent the system from overloading. In the winter, many customers leave their heating systems and appliances turned on, creating too much energy demand all at once when utilities restore power. That power demand could be higher than the built-in protective devices on a line can handle, meaning equipment could trip offline and cause more outages. Sunday's outage started at approximately 7:30 a.m. CST when a piece of equipment in a large Entergy substation failed, resulting in the widespread outage. Entergy personnel were able to isolate the damaged equipment and begin repairs while other employees continued the restoration process. By 10 a.m. CST more than 50 percent of the customers were restored with Entergy personnel continuing to safely "step-restore" the remaining customers. The failed equipment was replaced at approximately noon CST and less than 1 percent of the impacted customers remained without power by 1 p.m. CST. However, outages continued to occur because power demand was higher than the built-in protective devices on a line were able to handle.

http://entergystormcenter.com/article.aspx?NR_ID=975

Seattle City Light Restores Power to 20,000 Customers in Washington after Brief Outage Due to Equipment Failure January 8

Seattle City Light reported 20,000 customers in the areas of Eastlake, Montlake, Fremont, and Wallingford were without power for approximately two hours on Sunday afternoon. The outages were due to an equipment failure at the utility's University substation.

<https://twitter.com/SEACityLight>

<http://www.seattle.gov/light/sysstat/>

High Winds Knock Out Power to 18,000 Colorado Springs Utilities Customers in Colorado January 9

High winds with gusts up to 70 mph knocked out power to at least 18,000 Colorado Springs Utility customers on Monday morning. The majority of outages were caused by a combination of trees on powerlines, downed powerlines, and lines being blown into transformers causing them to short and transformers to fail, according to a spokesperson. He added that many crews were kept from fixing downed lines due to unsafe conditions caused by high winds. As of 3:30 p.m. EST on Monday, 11,954 customers remained without power.

<http://stormcenter3.csu.org.s3.amazonaws.com/default.html>

<http://gazette.com/map-thousands-without-power-in-the-colorado-springs-area/article/1593966>

<http://gazette.com/power-outages-reported-high-wind-warning-for-areas-around-colorado-springs-on-monday/article/1593949>

Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Reduced to 48 Percent by January 8

On the morning of January 7, the unit was operating at full power.

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

Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois at Full Power by January 7

The Nuclear Regulatory Commission reported that on the morning of January 6, the unit was operating at 85 percent, reduced from 99 percent on January 5.

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

Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Reduced to 79 Percent by January 7

On the morning of January 6, the unit was operating at full power.

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

Calpine's 561 MW Los Medanos Gas-fired Unit in California Reduced by January 8

The unit entered an unplanned curtailment of 297 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201701081515.html>

Update: MidAmerican Solar's 550 MW Topaz Solar Unit in California Returns to Service by January 7

The unit returned from an unplanned curtailment of 255 MW that began on January 3.

<http://content.aiso.com/unitstatus/data/unitstatus201701071515.html>

Desert Start Energy Center's 495 MW Gas-fired Unit in California Shut by January 7

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201701071515.html>

Calpine's 799 MW Pastoria Gas-fired Unit in California Reduced by January 6

The unit entered an unplanned curtailment of 559 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201701061515.html>"

Entergy to Shut Its 2,311 MW Indian Point Nuclear Power Plant in New York by 2021

New York Governor Andrew M. Cuomo on Monday announced an agreement to shut Entergy Corp's Indian Point nuclear plant by April 2021, primarily due to its proximity to the heavily populated New York City area. The densely populated surrounding region lacks viable evacuation routes in the event of a disaster, said Cuomo, adding that the plant has been plagued by numerous safety and operational problems, including faulty bolts, and various leaks and fires. Under the agreement, unit 2 will shut down by April 30, 2020 and unit 3 by April 30, 2021. The state has been developing contingency plans to replace the power supplied by Indian Point, which produces enough to meet about 25 percent of the power used by New York City and adjacent Westchester County. Cuomo said replacement power would be in place that adds no new carbon emissions and would have negligible cost impacts to ratepayers. The state will continue to closely monitor Entergy to ensure public safety and mitigate safety risks associated with the plant, including for storage of spent nuclear fuel, Cuomo said.

<http://www.energynewsroom.com/latest-news/entergy-ny-officials-agree-indian-point-closure-2020-2021/>

<https://www.governor.ny.gov/news/governor-cuomo-announces-10th-proposal-2017-state-state-closure-indian-point-nuclear-power>

Reuters, 12:17 January 9, 2017

Petroleum

Colonial Pipeline's Line 19 Spur Line Remains Shut January 9 after 15-Barrel Gasoline Leak in Tennessee January 7

Colonial Pipeline's Line 19 between Atlanta, Georgia and Nashville, Tennessee remained shut on Monday as the company looked for the source of a leak of about 15 barrels of gasoline in Chattanooga, Tennessee, a spokesman for the Chattanooga Fire Department said. Line 19, a dedicated gasoline line, was shut on Saturday after the odor of gasoline was reported to the Chattanooga Fire Department. Line 20, a distillates line, was also shut as a precaution but has since been restarted and returned to normal operations. The leak released gasoline into Shoal Creek, which empties into the Tennessee River, a Chattanooga Fire Department spokesman said. There was no danger to the public, he added. Lines 19 and 20 are spur lines supplied from Colonial's Line 1 and Line 2 breakout junction in Atlanta, Georgia. Colonial Pipeline, the largest refined products system in the United States, can carry more than 3 million barrels of gasoline, diesel, and jet fuel between the U.S. Gulf Coast and the New York Harbor area.

Reuters, 11:43 January 9, 2017

Phillips 66 Reports Unit Upset Due to Freezing Conditions at Its 336,000 b/d Wood River, Illinois Refinery January 7

Phillips 66 reported a unit upset and a compressor trip due to freezing conditions at its Wood River, Illinois refinery. The company also reported sulfur dioxide emissions from the unit, but did not specify which unit was involved.

Reuters, 13:15 January 9, 2017

Exxon Restarting FCCU, HCU at Its 344,600 b/d Beaumont, Texas Refinery January 8 after Cold Weather Shuts Units January 7

Exxon Mobil Corp on Sunday said it was restarting the 120,000 b/d fluidic catalytic cracking unit (FCCU), the 65,000 b/d hydrocracking unit (HCU), and two reformers (80,000 b/d and 75,000 b/d) after they were shut due to cold weather on Saturday. The FCCU, HCU, and reformers were expected to be back in production early this week. Compressors on the units malfunctioned on Saturday, a source said, after temperatures in Beaumont hit a low of 26 degrees Fahrenheit as a cold front swept across the Gulf Coast. The four units that were shut are the primary units producing motor fuels at the Beaumont refinery. The hydrocracker produces diesel and gasoline from gas oil, while the reformers convert refining byproducts into octane-boosting components in gasoline.
Reuters, 21:52 January 8, 2017

Valero Reports Process Unit Upset at Its 335,000 b/d Port Arthur, Texas Refinery

Valero Energy reported a process unit upset and emissions from Complex 3, delayed coking unit-843, and flare no. 23, according to a filing with the Texas Commission on Environmental Quality.
Reuters, 17:49 January 6, 2017

Valero Reports Temporary Process Unit Upset Due to Freezing Temperatures at Its 100,000 b/d Houston, Texas Refinery January 7

Valero reported a temporary process unit upset at its Houston, Texas refinery resulted in intermittent flaring on Saturday. The company attributed the upset to freezing temperature conditions and returned the unit to normal operations following the flaring event.
Reuters, 10:16 January 9, 2017

Chevron Reports Plant Upset at its 245,271 b/d Richmond, California Refinery January 7

Chevron reported a plant upset resulted in flaring, which caused a release of sulfur dioxide of greater than 500 pounds at its Richmond, California Refinery on Saturday. Chevron said the release was no longer occurring.
Reuters, 15:08 January 9, 2017

U.S. Drillers Increase Oil Rig Count to 529 January 6 – Baker Hughes

U.S. drillers added four oil rigs in the week to January 6, bringing the total count up to 529, the most since December 2015, energy services firm Baker Hughes said on Friday.
http://www.rigzone.com/news/oil_gas/a/148026/Baker_Hughes_US_Drillers_Add_Oil_Rigs_For_10th_Week_In_A_Row

Natural Gas

Nothing to report.

Other News

Nothing to report.

International News

Libya to Declare Force Majeure at Two Ports over Smuggling – Presidential Council

Libya's UN-backed government will declare force majeure on two ports to stop fuel smuggling, a statement from its presidential council said on Saturday. The statement gave no details on when the measure would come into effect, but it comes after officials accused a local armed group of smuggling fuel from the Zawiya port. The measure will cover the Zawiya and Zuwara ports. The armed faction guarding the Zawiya port peacefully withdrew from the terminal earlier this week. Libya expects its oil production to rise to around 900,000 b/d after a series of agreements to reopen major oil ports and oilfields, which had been closed for two years by armed factions, fighting, and strikes.
Reuters, 13:10 January 10, 2017

Angola, Russia Cut Oil Production in January; Iran Sells 13 Million Barrels of Stored Crude Due to OPEC Cuts

Angolan state oil company Sonangol on Friday said it had cut its output by 78,000 b/d to 1.673 million b/d as part of the Organization of the Petroleum Exporting Countries (OPEC) agreement to lower oil supply starting January 1. Russia also said it cut output by 100,000 b/d in early January from December, however, due to unknown reasons, sources said. Russia's oil and gas condensate output averaged 11.1 million b/d from January 1 to January 8, according to the sources. This was down from 11.21 million b/d in December and October's level of 11.247 million b/d, a starting point for output reduction agreed with OPEC. Sources declined to give the reason for the drop in production, but the cuts came amid a cold spell in Russia's oil-producing heartland of Western Siberia, where temperatures reached as low as negative 76 degrees Fahrenheit. The Russian Energy Minister said the targeted level of Russian output was 10.957 million b/d after the production cut deal. The minister also said Russia plans to reduce oil output by 200,000 b/d in the first quarter and reach cuts of 300,000 b/d thereafter, as agreed with OPEC last month. Exempt from the OPEC oil deal, Iran has sold more than 13 million barrels of oil that it had long held on tankers at sea. The amount of Iranian oil held at sea dropped to 16.4 million barrels, from 29.6 million barrels at the beginning of October, according to Thomson Reuters Oil Flows data. Before that sharp drop, the level had barely changed in 2016; it was 29.7 million barrels at the start of 2016, the data showed.

Reuters, 12:26 January 7, 2017

Reuters, 5:06 January 9, 2017

Reuters, 2:36 January 9, 2017

Iraq Says Oil Exports from Basra Ports Hit Record 3.51 Million b/d in December

Oil exports from Iraq's southern Basra ports reached a record high of 3.51 million b/d in December, the oil ministry said on Monday. However, Iraq's Oil Minister said the unprecedentedly high exports from the south would not affect Iraq's decision to lower production in January in line with an OPEC agreement. Iraq, OPEC's second-largest producer, said it would reduce output by 200,000 b/d to 4.351 million b/d.

Reuters, 8:54 January 9, 2017

Kuwait Temporarily Shuts All Ports Due to Bad Weather January 9

Kuwait on Monday temporarily shut all ports due to bad weather, state news agency Kuna said, quoting the country's port authority. Operations were halted at Shuweikh, Shuaiba, and Doha ports, which are expected to resume activity once weather conditions and visibility improve.

Reuters, 3:09 January 9, 2017

Energy Prices

U.S. Oil and Gas Prices			
January 9, 2017			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	51.90	52.31	33.15
\$/Barrel			
NATURAL GAS			
Henry Hub	3.33	3.68	2.35
\$/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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