



ENERGY ASSURANCE DAILY

Friday Evening, January 18, 2013

Electricity

Snowstorm Knocks Out Power to More Than 212,000 Utility Customers in the Mid-Atlantic Region January 16–17

A winter storm brought heavy, wet snow to the Mid-Atlantic region overnight Thursday and Friday morning, knocking out power to approximately 212,400 utility customers from Alabama to West Virginia at the peak of the storm. As of 1:30 p.m. EST today, utilities reported 141,544 customers were without power. Appalachian Power, serving customers in Virginia, Tennessee, and West Virginia, has been hardest hit by the storm, with 130,000 of its customers losing power at the peak of the storm around midnight last night. The utility on Friday said it had to conduct damage assessments before it could provide specific restoration estimates, but that those efforts were being hampered by poor road conditions. The utility expected full restoration would take several days. It has secured more than 1,400 line workers and 250 damage assessors from outside the Appalachian service area to assist approximately 1,600 locally-based Appalachian Power employees and contractors in the effort.

http://www.newsadvance.com/news/local/article_07c0a428-6112-11e2-ab7d-001a4bcf6878.html

<http://www.nbc12.com/story/20620672/storm-dumps-1-foot-or-more-in-western-va>

<https://www.appalachianpower.com/info/news/viewRelease.aspx?releaseID=1348>

Mid-Atlantic Customer Power Outages			
January 17–18			
Electric Utility	State	Peak	Latest Reported
Alabama Power Co.	AL	2,700	2,700
Blue Ridge Electric	NC	9,000	3,291
Progress Energy – Carolinas	NC	8,000	121
Duke – Carolinas	NC, SC	31,000	6,266
Dominion	NC, VA	9,000	4,913
Knoxville Utility Board	TN	20,000	6,852
Appalachian Power (AEP)	TN, VA, WV	130,000	116,366
Central Virginia Electric Cooperative	VA	1,000	117
FirstEnergy	WV	1,700	918
TOTAL*		212,400	141,544

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

Sources:

http://blog.al.com/businessnews/2013/01/2700_without_power_as_snow_and.html

<http://www.wbtv.com/story/20612126/snow-headed-for-the-queen-city-heavier-amounts-in-mountains>

<http://www.wcnc.com/news/editors-pick/Winter-weather-knocks-out-power-to-thousands-187405171.html>

<http://bremco.maps.sienatech.com/>

<https://www.progress-energy.com/app/outagemaps/carolinas.aspx>

<http://www.duke-energy.com/north-carolina/outages/current.asp>

<https://www.dom.com/storm-center/dominion-electric-outage-summary.jsp>

<http://www.wbir.com/news/article/249765/2/More-than-20000-KUB-customers-without-power>

<http://www.kub.org/wps/portal/Customers>

<https://www.appalachianpower.com/outages/>

<http://www.outageentry.com/dvosm/dvOSM2.php?Client=cvec>

<http://outages.firstenergycorp.com/mdwv.html>

<http://www.reuters.com/article/2013/01/18/utilities-storm-poweroutages->

[idUSL1E9CI3P220130118?feedType=RSS&feedName=rbssEnergyNews&rpc=43](http://www.reuters.com/article/2013/01/18/utilities-storm-poweroutages-idUSL1E9CI3P220130118?feedType=RSS&feedName=rbssEnergyNews&rpc=43)

Update: Connecticut Regulators Approve CL&P's 5-Year 'System Resiliency Plan' Emphasizing Tree-Trimming and Reinforcement

The Connecticut Public Utilities Regulatory Authority on Wednesday approved Connecticut Light & Power's (CL&P) 5-year "System Resiliency Plan," an infrastructure strengthening plan designed to improve reliability and reduce the impact of severe weather. The plan focuses on three major initiatives—tree trimming, electrical hardening through the use of coated thicker-gauge wire, and structural hardening by strengthening utility poles, cross-arms, and related system equipment. Work is scheduled to begin this spring.

<http://nuwnotes1.nu.com/apps/mediarelease/clp-pr.nsf/0/14B57A7C5DF995A685257AEC005D0B28?OpenDocument>

Update: Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Ramped Up to 90 Percent by January 18

Pilgrim Unit 1 is returning from an outage that began on January 10, when operators manually shut the reactor after both recirculation pumps spuriously tripped. Operators restarted the unit January 16.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Arizona Public Service's 1,247 MW Palo Verde Nuclear Unit 3 in Arizona Reduced to 57 Percent by January 18

On the morning of January 17 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Update: Constellation's 118 MW Ace Cogeneration Coal-Fired Unit in California Returns to Service by January 17

The unit returned from an unplanned outage that began by January 14.

<http://content.caiso.com/unitstatus/data/unitstatus201301171515.html>

NRC Seeks Public Comment on Possible Changes to Spent Nuclear Fuel Storage and Transportation Regulatory Framework

The U.S. Nuclear Regulatory Commission (NRC) is asking the public for input as the agency considers changes to the regulatory framework for spent nuclear fuel storage and transportation. The request for comment is part of an effort to improve how the NRC regulates after more than 20 years of experience approving dry casks for spent fuel storage and transportation. The NRC is specifically looking at how it could better integrate the requirements for spent fuel storage under 10 CFR Part 72 with those for spent fuel transportation under 10 CFR Part 71.

<http://www.nrc.gov/reading-rm/doc-collections/news/2013/13-004.pdf>

Petroleum

Update: Magellan Expects to Start 75,000 b/d of Service on Its Longhorn Crude Oil Pipeline in Texas by Early Second Quarter, Increase Capacity to 225,000 b/d by Mid-2013

Magellan Midstream Partners LP expects its Longhorn pipeline conversion project to begin moving 75,000 b/d of crude in the first quarter or early in the second quarter, increasing to 225,000 b/d by mid-2013, a spokesman said. Announced last year, the project has involved reversing the flow on Magellan's Longhorn fuels pipeline, which had shipped fuel from Houston to El Paso, and converting it to bring crude oil from south Texas directly to refiners in Houston, instead of shipping it to storage hubs in Cushing, Oklahoma.

<http://www.bloomberg.com/news/2013-01-15/west-texas-sour-strengthens-amid-permian-pipeline-expansions.html?cmpid=yhoo>

Update: Motiva Begins Restarting 325,000 b/d CDU at Its 600,000 b/d Port Arthur, Texas Refinery January 18

Motiva Enterprises on Friday began restarting a 325,000 b/d crude distillation unit (CDU) at its Port Arthur refinery for the fourth time, after repairs to fix a leak on a pipe carrying heated crude oil to the CDU, according to a source familiar with refinery operations. Motiva was forced to stop restart procedures January 12 after the leak developed. Operators began attempts to restart the unit in December after it was shut in June to repair extensive damage caused by a caustic leak.

Reuters, 10:50 January 18, 2013

Hydrogen Supply Problems Force Valero to Shut a 45,000 b/d Hydrocracker at Its 310,000 b/d Port Arthur, Texas Refinery January 17

Valero Energy Corp. reported that the smaller of two hydrocracking units at its Port Arthur refinery was out of service after a hydrogen supplier suffered a malfunction at its own facility on Thursday, according to a spokesman. Operators expect to return the 45,000 b/d hydrocracker to production “fairly soon,” the spokesman said. Air Products & Chemicals Inc. said its Port Arthur steam methane reformer, which supplies hydrogen to the neighboring Valero refinery, malfunctioned and was flaring after an electrical disturbance on Thursday morning.
Reuters, 14:16 January 18, 2013

Shell Reports Unspecified Release at Its 329,800 b/d Deer Park, Texas Refinery January 17

Shell Oil Co. reported an unspecified release at its Deer Park refinery on Thursday, according to a message the refinery left on a community information line.
Reuters, 17:42 January 17, 2013

Unspecified Plant Upset Causes Sulfur Dioxide to Flare at Chevron’s 279,000 b/d El Segundo, California Refinery January 16

Chevron Corp. reported that a release of sulfur dioxide from a flare stack at its El Segundo refinery Wednesday night was due to an unspecified plant upset, according to a filing with the U.S. National Response Center.
http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1035895

Tesoro Restarts Units at Its 166,000 b/d Martinez, California Refinery after Repairs January 17 – Source

Tesoro Corp. has restarted a hydrocracker at its Golden Eagle refinery in Martinez, California following repairs, according to a source with knowledge of refinery operations. Operators were expected to increase the unit to full rates by Friday, the source said. The refinery also restarted the No. 3 hydrotreater and reformer that were shut over the weekend.

<http://www.bloomberg.com/news/2013-01-17/san-francisco-gasoline-weakens-after-tesoro-said-to-start-units.html?cmpid=yhoo>

Phillips 66 Reports Cogeneration Unit Upset at Its 238,000 b/d Linden, New Jersey Refinery January 18

Phillips 66 on Friday reported a mechanical failure at a cogeneration unit at its Bayway refinery in Linden, according to a filing with state pollution regulators.
Reuters, 10:38 January 18, 2013

Plug Leak Causes Emissions at ExxonMobil’s 192,500 b/d Chalmette, Louisiana Refinery January 17

Exxon Mobil Corp. reported a plug leak had caused hydrogen sulfide emissions at its Chalmette refinery on Thursday, according to a filing with the U.S. National Response Center. Operators were shutting an unspecified unit to make repairs and had not secured the release at the time of the filing.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1035907

Natural Gas

Mechanical Malfunction Shuts Inlet Compressor at ExxonMobil’s 135 MMcf/d Salt Creek Gas Plant in Texas January 16

ExxonMobil reported that the Unit K-3401 inlet compressor at its Salt Creek plant shut down Wednesday morning, routing its inlet to flare, after a mechanical malfunction on the unit caused high second-stage vibrations, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=178123>

Other News

G2X Energy Plans Natural Gas-to-Gasoline Facility in Southwest Louisiana

Governor Bobby Jindal on Tuesday announced G2X Energy Inc.'s plans for a \$1.3 billion natural gas-to-gasoline facility at The Port of Lake Charles in Southwest Louisiana. G2X Energy was expected to finalize this week an option to lease 200 acres in the Industrial Canal at the Port of Lake Charles, where the company will have the flexibility of shipping gasoline by pipeline or sea. The facility will use natural gas to produce methanol, then convert methanol to into gasoline for 90 percent of its production. About 10 percent of the output will be liquefied petroleum gas, or propane. Subject to additional feasibility analysis, G2X Energy expects to make a final investment decision by the end of 2013. Upon obtaining facility permits, construction would begin in 2014, with completion of the project targeted in early 2017.

<http://g2xenergy.com/press/governor-jindal-highlights-g2x-energy-plans-for-1-3-billion-natural-gas-to-gasoline-facility-in-southwest-louisiana/>

International News

Update: About 60 Foreign Hostages Still Unaccounted for after Algerian Forces Storm Ain Amenas Natural Gas Facility Held by Militants in Algeria January 18

Algerian authorities said about half of the 132 foreigners held hostage by militants at the Ain Amenas natural gas facility are still unaccounted for after a rescue attempt by the army on Thursday. Security forces have freed 573 Algerians and half of the foreign captives, the state-run Algerian Press Service (APS) reported. The facility, which is jointly operated by BP Plc, Statoil, and the Algerian state oil and gas company Sonatrach, was attacked by militants from Mali early Wednesday and has been shut down to avoid the risk of explosion. Algerian forces stormed the plant Thursday in an attempted rescue operation that killed at least four hostages. The army launched a second attack Friday and has killed 18 militants, according to APS. Overnight BP began evacuating non-essential workers out of Algeria as a precautionary and temporary measure.

<http://www.bloomberg.com/algerian-forces-surround-gas-plant-as-hostages-still-being-held.html?cmpid=yahoo>

<http://finance.yahoo.com/news/60-hostages-dead-missing-algeria-142054504.html>

<http://finance.yahoo.com/news/bp-says-serious-situation-amenas-120715919.html>

Nigerian Union and National Petroleum Corporation Draw Attention to the Nation's Rampant Pipeline Vandalism; Union Calls for Pipeline Protection Agency

http://www.downstreamtoday.com/news/article.aspx?a_id=38271

http://www.downstreamtoday.com/news/article.aspx?a_id=38273

Energy Prices

U.S. Oil and Gas Prices			
January 18, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	95.10	93.48	100.69
\$/Barrel			
NATURAL GAS			
Henry Hub	3.44	3.33	2.51
\$/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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