



ENERGY ASSURANCE DAILY

Tuesday Evening, January 19, 2016

Electricity

Strong Storms Knock Out Power to Over 64,000 FPL Customers in Florida January 17

Strong storms producing high winds knocked out power to 64,002 FPL customers in Naples, Florida early Sunday morning. Wind gusts as high as 85 mph were reported. As of 3:30 p.m. EST Tuesday, 703 customers remained without power.

<https://twitter.com/insidefpl>

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

<http://www.naplesnews.com/weather/weather-service-will-continue-investigating-whether-tornado-touched-down-298c5a33-931e-72ae-e053-010-365601851.html>

Entergy Arkansas Reports Power Restored to Nearly All 24,000 Customers after Transmission Line Fault January 18

Entergy Arkansas reported a fault occurred on a transmission line just before 2:00 a.m. EST on Monday morning, causing a power outage to about 24,000 customers in north-central Arkansas. Power was restored to all but 300 customers by 8:30 a.m. EST Monday after technicians worked overnight to restore service. The fault occurred when an energized line interfered with a structural cross arm on the transmission pole. An Entergy Arkansas spokesperson said the line was undergoing upgrades and left in a temporary position, and that extremely cold temperatures caused the line to tighten prior to the incident.

http://entergystormcenter.com/article.aspx?NR_ID=785

SMUD Reports Power Restored to 10,000 Customers in California after Car Hits Electric Pole January 17

Sacramento Municipal Utility District (SMUD) reported 10,000 customers in Natomas, California had power knocked out Sunday evening after a car hit an electrical pole. Crews repaired the circuit and power was restored within two hours.

<https://twitter.com/SMUDUpdates>

<http://fox40.com/2016/01/17/more-than-10000-customers-without-power-in-natomas-area/>

FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Reduced to 60 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/2016/>

PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania at Full Power by January 17

On the morning of January 16 the unit was operating at 88 percent, reduced from 100 percent on January 15.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Update: Mirant's 312 MW Pittsburg Unit 5 Gas-fired Unit in California Returns to Service by January 18

The unit returned from an unplanned outage that began on January 1.

<http://content.aiso.com/unitstatus/data/unitstatus201601181515.html>

SCE's 820 MW Big Creek Hydro Unit in California Reduced by January 18

The unit entered an unplanned curtailment of 672 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201601181515.html>

Pattern Energy Completes 150 MW Amazon Wind Farm in Indiana

Pattern Energy Group today announced that construction has completed for the 150 MW Amazon Wind Farm Fowler Ridge in Benton County, Indiana and the wind farm is now fully operational. The facility will sell all electricity produced to Amazon Web Services, which will supply the electricity to the electric grids that service its datacenters.

<http://patternenergy.com/en/media/releases/pattern-energy-completes-150-mw-amazon-wind-farm-indiana/>

First Solar, SCE Sign Agreements for Four Solar Projects Totaling 500 MW

First Solar, Inc. and Southern California Edison (SCE) announced the signing of Power Purchase Agreements (PPAs) for the off-take of electricity generated by four solar projects totaling 500 MW. The PPAs are for power generated by four projects in California, Nevada, and Arizona, all currently in development by First Solar, with anticipated commissioning by the end of 2019. The four projects include the 150 MW North Rosamond Solar Project and 100 MW Willow Springs Solar Project, both located in Rosamond, California; the 100 MW Sunshine Valley Solar Project located in Amargosa, Nevada; and the 150 MW Sun Streams Solar Project located in Tonopah, Arizona.

<http://investor.firstsolar.com/releasedetail.cfm?ReleaseID=950665>

IG Audit Concludes More Rigorous Cyber-Security Protocols Needed at NRC Security Operations Center January 11

The Office of Inspector General (IG) released a report on January 11 following its audit of the U.S. Nuclear Regulatory Commission's Security Operations Center (SOC), which concluded that the SOC did not meet the necessary quality control criteria regarding its current cyber-security protocols. The audit also revealed that, between 2013 and 2014, the NRC recorded an 18 percent increase in security incidents, way above the average of 9.7 percent recorded for other government institutions. These incidents include unauthorized access to computer systems, detection of malicious code, policy violations, social engineering attempts, lost devices, scans, probes, and other access attempts.

<http://news.softpedia.com/news/nuclear-power-plants-from-all-over-the-worldare-vulnerable-to-cyberattacks-498955.shtml>

<http://pbdupws.nrc.gov/docs/ML1601/ML16011A319.pdf>

Petroleum

Maine Governor Issues Hours of Service Waiver due to High Demand for Heating Fuel and Bulk Petroleum Products Amid Cold Weather January 12

Maine Governor Paul LePage issued an emergency proclamation to waive U.S. Department of Transportation (U.S. DOT) Federal Motor Carrier Safety Administration (FMCSA) hours of service regulations to allow heating fuels, specifically fuel oil, propane, and natural gas delivery and transport drivers to operate additional hours. The proclamation cited high demand for heating fuel and bulk petroleum products due a number of factors, including cold winter weather, and the Maine's reliance on fuel deliveries from outside the State.

<http://www.npga.org/files/Maine%20HOS%20Waiver-1-11-16%20to%202-11-16.pdf>

Marathon Restarts Crude Unit, VDU at Its 212,000 b/d Catlettsburg, Kentucky, Refinery January 19 after Cold Weather Related Outage January 18

Marathon Petroleum recirculated an 86,000 b/d crude unit and associated vacuum distillation unit (VDU) at its Catlettsburg, Kentucky refinery after they were shut down Monday morning due to freezing temperatures. The company hopes to resume production in the units by the end of the week, but a source said freeze issues persist. Reuters, 10:09 January 19, 2016

Total Reports Emissions at Its 225,500 b/d Port Arthur, Texas Refinery January 17

Total SA reported emissions due to an upset at unit 881 at its Port Arthur, Texas, refinery on Sunday, according to a filing with the Texas Commission on Environmental Quality. The refinery reduced charge into the unit and began shut down procedures for unit repair, the filing added.

Reuters, 9:19 January 18, 2016

Phillips 66 Reports Emissions at Its 120,200 b/d Rodeo, California Refinery January 17

Phillips 66 reported emissions from a diesel hydrotreater unit at its Rodeo, California, refinery on Sunday, according to a filing with the California Emergency Management Agency.

Reuters, 10:00 January 18, 2016

Alberta Energy Regulators Say No Timeline for Restart of Nexen's 50,000 b/d Long Lake Oil Sands Facility after Explosion January 15

The Alberta Energy Regulator (AER) said on Monday there was no timeline for Nexen Energy's Long Lake oil sands facility to resume production after it was shut down on Friday following an on-site explosion that killed a worker and seriously injured another. The AER and provincial government's Occupational Health and Safety (OHS) arm were running simultaneous investigations into the blast at the site south of Fort McMurray, Alberta. OHS issued a stop work order following the explosion and Nexen, a subsidiary of China's CNOOC Ltd, shut down its upgrader and suspended thermal steaming operations, which resulted in a complete halt to production. The blast occurred in Long Lake's hydrocracker unit, but it was still too early to speculate on the cause, an AER spokesperson said.

http://www.nexencnoocld.com/en/AboutUs/MediaCentre/NewsReleases/News/Release.aspx?year=2016&release_id=9DA6FE360EF543F083C3580117ECE947

Reuters, 12:46 January 18, 2016

Natural Gas

Update: SoCalGas Expects to Stop Aliso Canyon Natural Gas Leak in California by Late February, Possibly Sooner

Southern California Gas Co. (SoCalGas) on Monday announced that its relief well project to stop the Aliso Canyon natural gas leak is proceeding ahead of schedule and that the company expects to stop the leak by late February, if not sooner. Company officials had previously estimated a completion timeframe between late February and late March as a result of labor-intensive drilling operations. Relief well drilling operations began on December 4, 2015, and are expected to hit the well target at a depth of about 8,500 feet below the surface by next month. Once the well is plugged and sealed, it will be taken out of service permanently. State officials have said the leak, which was first detected on October 23 at the site near the Porter Ranch neighborhood of Los Angeles, accounted at its peak for a fourth of California's 20 million metric tons a year in greenhouse gas emissions from methane. The cause of the leak is believed to be a broken injection-well pipe several hundred feet beneath the surface of the 3,600-acre field.

<http://sempra.mediaroom.com/index.php?s=19080&item=137110>

Reuters 10:52 January 18, 2016

Update: Destin Pipeline Briefly Halts Work at Pascagoula, Mississippi Valve Site

Destin Pipeline Co LLC temporarily suspended work at its beach valve site in Pascagoula, Mississippi, the company said, after efforts to remove an obstruction causing abnormal pigging operations on its 36-inch offshore segment were unsuccessful. The 225-mile pipeline system can carry 1.2 Bcf/d from offshore Gulf of Mexico to the Pascagoula plant and then north to interconnections with six major interstate gas lines. The pipeline company announced the maintenance work last week to remove the obstruction at the site. The company said it was making plans to carry out an alternative operation soon, and the work was not expected to affect offshore transportation services from any receipt points, it said on Monday.

Reuters, 00:19 January 19, 2016

DCP Midstream Reports Turbine Shut at Its 160 MMcf/d Goldsmith Gas Plant in Texas January 18

DCP Midstream reported turbine B shut on high vibration when the vibration monitor spiked and caused a shutdown of the compressor package. The restart procedure was started to get the turbine back online.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=226103>

Other News

Valero Says Grain Dryer Fire Extinguished Its Ethanol Plant in Indiana January 18

Valero Energy Corp said a fire was extinguished quickly on Monday at its 110 million-gallon-a-year ethanol plant in Mount Vernon, Indiana. A source familiar with the operations said the plant would be idled for at least a few days in order to repair a grain dryer where the fire occurred. One corn supplier to the plant said Valero was not currently accepting grain deliveries that it had purchased.

Reuters, 12:48 January 19, 2016

International News

Iran to Boost Oil Output by 500,000 b/d – Deputy Oil Minister

Iran plans to increase oil production by 500,000 b/d now that sanctions have been lifted under a landmark nuclear deal with world powers. The deputy Oil Minister said Iran is determined to retake its market share, which plunged after the crippling sanctions were imposed in 2012. The U.N. nuclear agency certified Saturday that Iran has met all of its commitments under last summer's agreement, prompting the lifting of sanctions. Iran used to export 2.3 million b/d but its crude exports fell to 1 million b/d in 2012.

Reuters, 7:32 January 18, 2016

Iraq's Southern Oil Exports Running at 3.3 Million b/d, Unaffected by Tribal Clashes – South Oil Co. Executive

Iraq's exports from the southern region have been running at an average daily rate of 3.297 million b/d so far in January, higher than December's average of 3.125 million b/d, and unaffected by tribal clashes, state-run South Oil Co.'s deputy director general said on Saturday. All the fields were running normally. Iraq sent an armored army division and a police strike force into the southern oil city of Basra to disarm residents as fighting between rival Shi'ite Muslim tribes intensified, local officials and security sources said on Friday.

Reuters, 5:50 January 16, 2016

Nigeria's NNPC Shuts Crude Flows to Its Kaduna, Warri Refineries

Nigeria's state oil company NNPC shut down crude oil flows feeding its Kaduna and Warri refineries after weekend attacks on pipelines, an NNPC spokesman said on Monday. The Warri refinery in southern Delta state and the Kaduna refinery located in the north resumed output last month after several months of maintenance.

Reuters, 8:25 January 18, 2016

Energy Prices

U.S. Oil and Gas Prices			
January 19, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	28.42	30.37	48.44
\$/Barrel			
NATURAL GAS			
Henry Hub	2.18	2.53	3.29
\$/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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