



ENERGY ASSURANCE DAILY

Wednesday Evening, January 25, 2017

Electricity

Ice Storm Knocks Out Power to More Than 129,000 NB Power Customers in New Brunswick January 24–25

Freezing rain expected to continue until Thursday left more than 129,000 NB Power customers without electricity in New Brunswick Wednesday morning. Calling the storm “a major weather event,” NB Power said its crews will assess the damage as soon as it is safe. On Tuesday night, the utility said it had an extra 60 crews ready to respond to the anticipated outages. A spokeswoman for the utility said Wednesday that crews had worked overnight and that a call for help from other utilities was likely. Restoration, which is expected to take a few days, was being hampered by the ongoing storm and poor road conditions. As of 3:50 p.m. EST, 104,789 NB Power customers remained without power.

<http://www.nbpower.com/Open/Outages.aspx?lang=en>

https://twitter.com/NB_Power

<http://vocm.com/news/freezing-rain-headed-for-island-leaves-50000-without-power-in-nb/>

<http://www.cbc.ca/news/canada/new-brunswick/new-brunswick-weather-brennan-allen-1.3951097>

Exelon’s 1,116 MW Peach Bottom Nuclear Unit 2 in Pennsylvania at Full Power by January 25

On the morning of January 24, the unit was operating at 90 percent.

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

Southern’s 856 MW Hatch Nuclear Unit 1 in Georgia Shut by January 25

On the morning of January 24, the unit was operating at 38 percent.

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

PG&E’s 1,087 MW Diablo Canyon Nuclear Unit 1 in California Reduced to 55 Percent by January 25

On the morning of January 24, the unit was operating at 94 percent.

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

NV Energy Inc., Apple to Build 200 MW of New Solar Energy in Nevada by Early 2019

NV Energy Inc. reported it has reached an agreement with Apple to build 200 MW of additional solar energy in Nevada by early 2019. The utility reported that, in coming weeks, it will file an application with the Public Utilities Commission of Nevada to enter into a Power Purchase Agreement for a new solar power plant. It also said that Apple will dedicate up to 5 MW of additional power to NV Energy’s future subscription solar program for residential and commercial customers.

Reuters, 12:38 January 25, 2017

Petroleum

Alon Takes SRU Offline at Its 73,000 b/d Big Spring, Texas Refinery January 24

Alon USA Energy reported emissions from the number 2 sulfur recover unit (SRU) and number two tail gas incinerator at its Big Spring refinery on Tuesday, according to a filing with the Texas Commission on Environmental Quality. The filing also reported both number 2 scot quench tower fans suddenly lost power and shut down. Operators had to take the SRU completely offline until the #2 scot quench fan issue was resolved. All acid gas was shifted to SRU 1, the filing said.

<http://www2.tceq.texas.gov/oc/eer/index.cfm?fuseaction=main.getDetails&target=251050>

PBF Energy Investigating Release at Its 151,300 b/d Torrance, California Refinery

January 24

PBF Energy reported it was investigating a release of “primary oil/water/solids separation sludge” as its Torrance refinery continued to operate Tuesday, according to a filing with the California Emergency Management Agency. The release was contained to a sink hole, the filing said.

Reuters, 16:59 January 24, 2017

Flint Hills Reports Flaring at Its 295,630 b/d Corpus Christi, Texas Refinery January 25

Flint Hills Resources reported unspecified operating conditions at the Corpus Christi refinery have made flaring necessary, according to a message on a community information line.

Reuters, 14:35 January 25, 2017

Valero Cuts CDU Output at Its 335,000 b/d Port Arthur, Texas Refinery after Fire

January 24 – Sources

Production on the large crude distillation unit (CDU) at Valero Energy Corp’s Port Arthur refinery was cut back on Wednesday following a Tuesday fire, said sources familiar with plant operations. One worker received minor burns in the fire, but was able to return to work after medical treatment, the sources said. Production on the 268,000 b/d CDU was cut back to 120,000 b/d following the fire, the sources said. Crews were working on Wednesday to repair the CDU while it remains in operation. The CDU underwent an overhaul between September and November that included the section of the unit where the fire broke out.

Reuters, 14:40 January 25, 2017

Reuters, 15:18 January 25, 2017

Shell, Phillips 66 Buy 6.4 Million Barrels of Oil from U.S. Strategic Petroleum Reserve

Oil companies Shell and Phillips 66 together bought 6.4 million barrels of oil last week from the Strategic Petroleum Reserve (SPR), according to a Department of Energy (DOE) document released on Tuesday. Shell bought 6.2 million barrels of oil and Phillips 66 bought 200,000 barrels on January 18, according to the document. Earlier this month, the DOE Office of Fossil Energy announced it would sell crude oil from the SPR following a Continuing Resolution to allow DOE to sell up to \$375.4 million worth of crude to fund necessary operational improvements to SPR infrastructure.

Reuters, 20:47 January 24, 2017

http://www.downstreamtoday.com/news/article.aspx?a_id=55058

Natural Gas

Update: SoCalGas Continues Natural Gas Withdrawal from Aliso Canyon Storage Facility During Continued Cold Snap January 25

Southern California Gas Co (SoCalGas) said it withdrew natural gas from its Aliso Canyon storage facility for a second day in a row on Wednesday to support the reliability of the region’s gas and electricity systems during a cold snap. The utility urged all customers to reduce gas use to help lower the risk of possible gas and electricity shortages until further notice. The company said withdrawals from Aliso Canyon this week were the first since January 2016 and were used “to avoid curtailments or service interruption for large customers, including electric generators, refineries, and other critical service providers like hospitals and airports.” The utility said it stopped pulling gas out of Aliso Canyon at around 9:00 a.m. PT on Wednesday. For its non-core industrial customers, including refineries and power plants, SoCalGas warned it may be forced to issue a notice to curtail service. The utility forecast gas demand would reach 4 Bcf on both Wednesday and Thursday, with 3.2 Bcf coming from pipeline imports and 0.8 Bcf from the four SoCalGas storage facilities. Gas usage was expected to dip to 3.8 Bcf on Friday as temperatures rise. On Monday and Tuesday, SoCalGas delivered almost 4.2 Bcf of gas, its highest demand so far this winter, company data showed.

Reuters, 15:11 January 25, 2017

Vermont Gas Systems to Finish Natural Gas Pipeline This Spring

Vermont Gas Systems reported it expects to finish building a roughly 40-mile natural gas pipeline this spring that will stretch from Colchester to Middlebury. The state Supreme Court lifted a stay last year and allowed the utility to progress with construction despite pending litigation. Vermont Gas has posted a \$1 million bond to cover the cost of removing the pipeline and restoring the land in case the high court rules against it.

Associated Press, 06:31 January 25, 2017

<http://bit.ly/2kgIwPn>

AGI Unit Shutdown Leads to Emissions at Enbridge’s 150 MMcf/d Tilden Gas Plant in Texas January 24

Enbridge reported emissions at its Tilden plant Tuesday after an acid gas injection (AGI) unit faulted, causing the plant to go down, according to a filing with state regulators.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=251061>

Canyon Midstream Reports Emissions at Its 105 MMcf/d James Lake Midstream System in Texas January 23

Canyon Midstream reported emissions at its James Lake plant Monday evening after an incident involving a pipe-inspection device caused the plant to flood with liquids, according to a filing with regulators.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=251021>

Other News

Nothing to report.

International News

Iran Oil Output Close to 3.9 MMb/d – Oil Minister

Iran’s oil output is currently close to 3.9 MMb/d, the country’s oil minister said on Wednesday. The Organization of the Petroleum Exporting Countries (OPEC) agreed in November to cut output by 1.2 MMb/d to 32.5 MMb/d for the first six months of 2017, in addition to 558,000 bb/d of cuts agreed to by non-OPEC producers such as Russia, Oman, and Mexico. Iran was exempted from the OPEC production cut deal. In 2015, Iran’s oil production averaged 3.15 MMb/d, according to OPEC.

Reuters, 06:28 January 25, 2017

http://www.opec.org/opec_web/en/about_us/163.htm

Azerbaijan Cuts Oil Output to 789,000 b/d in January – Energy Minister

Azerbaijan has reduced oil production to 789,000 b/d in January as part of a deal between OPEC and non-OPEC oil producers, the Azeri energy minister said Wednesday. In 2016, the country’s oil production averaged nearly 950,000 b/d, according to Azerbaijan’s state oil company, SOCAR.

Reuters, 06:25 January 25, 2017

<http://www.socar.az/socar/en/economics-and-statistics/economics-and-statistics/oil-production>

Energy Prices

U.S. Oil and Gas Prices			
January 25, 2017			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	52.06	51.07	29.28
\$/Barrel			
NATURAL GAS			
Henry Hub	3.25	3.31	2.22
\$/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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