



# ENERGY ASSURANCE DAILY

Monday Evening, February 01, 2016

## Major Developments

### Colonial Shuts Its 2.53 Million b/d Lines 1, 2 to Investigate Potential Integrity Issue; Line 1 Restarts February 1; Line 2 to Restart February 2

Colonial Pipeline said it shut its main gasoline pipeline, the 1.37 million b/d Line 1, as well as its main distillate pipeline, the 1.16 million b/d Line 2, on Monday morning to investigate a potential integrity issue. The company said Line 1 resumed normal operations on Monday afternoon, and that it expected to return Line 2 to normal operations by Tuesday afternoon. Colonial's Lines 1 and 2 deliver petroleum products across the Southeast region from injection points originating in Houston, Texas. Both lines terminate at Colonial's breakout storage hub in Greensboro, North Carolina.

Reuters, 12:36 February 1, 2016

Reuters, 16:58 February 1, 2016

## Electricity

### El Nino Storm Knocks Out Power to 243,000 Customers in California, Arizona January 31

A powerful El Nino storm brought heavy rainfall and damaging winds to Southern California and Arizona on Sunday, knocking out power to 243,000 customers. Utilities said many of the outages were a result of severely dried-out palm fronds, tree branches, and other debris interfering with or severing power lines. As of 3:30 p.m. EST Monday, 2,054 customers remained without power. SDG&E, which reported 60,000 customer outages in California, said high winds throughout the evening hours on Sunday limited its ability to fully restore service. TEP, which reported 50,000 customer outages in Arizona, said service was restored by 3:00 a.m. EST on Monday and repairs were continuing.

Arizona and California Customer Power Outages			
January 31–February 1, 2016			
Electric Utility	State	Peak	Latest Reported
TEP	AZ	50,000	0
SCE	CA	70,000	103
LADWP	CA	63,000	0
SDG&E	CA	60,000	1,951
<b>TOTAL*</b>		<b>243,000</b>	<b>2,054</b>

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

Sources:

<https://twitter.com/TEPEnergy>

<https://www.tep.com/outage/map/>

<https://twitter.com/LADWP>

<http://www.ladwpnews.com/go/doc/1475/2781410/>

[https://www.ladwp.com/ladwp/faces/wcnav\\_externalId/gbl-outage?\\_adf.ctrl-state=16vn0ezh90\\_33&\\_afLoop=288367999578633](https://www.ladwp.com/ladwp/faces/wcnav_externalId/gbl-outage?_adf.ctrl-state=16vn0ezh90_33&_afLoop=288367999578633)

<https://twitter.com/SCE>

<http://insideedison.com/stories/sce-crews-continue-to-restore-power-after-heavy-rains-and-winds>

<https://www.sce.com/wps/portal/home/outage-center/check-outage-status/>

<http://www.sdge.com/newsroom/press-releases/2016-02-01/sdge-works-restore-el-ni%C3%Bl-o-related-power-outages?hootPostID=cc6097249ab930f68cfb86c9c110dd63>

<http://www.sdge.com/safety/outages/outage-map>

### **Snowstorm Knocks Out Power to 67,000 Nova Scotia Power Customers January 29**

A strong snowstorm hit Nova Scotia Friday afternoon into Saturday knocking out power to 67,000 Nova Scotia Power customers. As of 3:30 p.m. EST Monday, 293 customers remained without power. The utility said most customers should have power restored by Monday evening, although some customer outages in the hardest hit areas may push into Tuesday.

<http://www.nspower.ca/en/home/newsroom/news-releases/update-on-power-restoration-Feb-1-2016.aspx>

<http://outagemap.nspower.ca/>

### **Update: Dominion's 1,130 MW Millstone Nuclear Unit 3 in Connecticut Ramps Up to 99 Percent by February 1**

On the morning of January 31 the unit was operating at 85 percent after restarting and ramping up to 16 percent by January 29. The unit shut from full power on January 25 due to a reactor coolant pump trip.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160125en.html>

### **Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York Restarts by January 30, Ramps Up to 87 Percent by February 1**

On the morning of January 31 the unit was operating at 20 percent after restarting by January 30. The unit shut from 65 percent on January 24 due to lowering intake level.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160125en.html>

### **FirstEnergy's 882 MW Davis-Besse Nuclear Unit in Ohio Restarts, Ramps Up to 14 Percent by February 1**

The unit shut from full power in January 29 due to power supply issues with a reactor monitoring system. As a result, the power supply was replaced over the weekend. The plant was in the process of restarting and expected to be at full power mid-week, a company spokeswoman said.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160201en.html>

Reuters, 9:57 February 1, 2016

### **Update: Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Restarts by January 31, Ramps Up to 18 Percent by February 1**

On the morning of January 31 the unit had restarted and was operating at 1 percent. The unit shut from full power on January 9 following an electrical failure caused by a lightning strike.

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

Reuters, 3:04 January 11, 2016

### **Update: STP's 1,251 MW South Texas Nuclear Unit 1 in Texas Restarts by January 30, Ramps Up to Full Power by January 31**

On the morning of January 30 the unit had restarted and was operating at 14 percent. The unit was shut from full power on January 27.

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

Reuters, 11:05 January 27, 2016

### **Update: San Diego Gas & Electric's 575 MW Palomar Gas-fired Unit in California Returns to Service by January 30**

The unit returned from an unplanned curtailment of 336 MW that began on January 26.

<http://content.aiso.com/unitstatus/data/unitstatus201601301515.html>

### **La Paloma Generating Company's 260 MW Gas-fired Unit 2 in California Shut by January 31**

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201601311515.html>

## **PCWA's 218 MW Middle Fork and Ralston Hydro Unit in California Reduced by January 31**

The unit entered an unplanned curtailment of 188 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201601311515.html>

## **Update: Luz Solar Partners' 184 MW Solar Units 8–9 in California Return to Service by January 29**

The units returned from an unplanned outage that began on January 5.

<http://content.aiso.com/unitstatus/data/unitstatus201601291515.html>

## **Windstar Energy's 120 MW Wind Unit in California Shut by January 31**

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201601311515.html>

## **Harbor Cogen's 109 MW Combined Cycle Gas-fired Unit in California Shut by January 31**

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201601311515.html>

## ***Petroleum***

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### **Update: PBF Advances Work on Coker at Its 182,200 b/d Delaware City, Delaware Refinery February 1 – Source; U.S. Gasoline Margins Jump of Reports of FCCU Leak Discovery during Restart – Traders**

While PBF Energy continues to restart its Delaware City refinery, operations decided to advance planned work on its 49,000 b/d coker after the unit could not restart following the blizzard that knocked out power at the plant on January 23. The work is scheduled to begin on February 11 and would last for six weeks, the source said. On Monday, PBF Energy was seen bidding up of Bakken crude oil as it shifts to a lighter crude slate as a result of the coker outage. Traders also reported that U.S. gasoline margins jumped on news that PBF Energy was forced to abandon the restart after a leak was discovered in the fluid catalytic cracker (FCCU). According to the company recorded message on a community hotline, the refinery was in the process of restarting, but it was unclear whether the recording was made before or after reports of the FCCU leak.

Reuters, 8:32 February 1, 2016

Reuters, 10:57 February 1, 2016

Reuters, 16:49 February 1, 2016

### **Update: Santa Barbara County Approves ExxonMobil Trucking Operation to Remove Over 17 Million Gallons of Stranded Crude Oil from Storage in California February 1**

Officials from the Santa Barbara County Department of Planning and Development on Monday endorsed Exxon Mobil Corp. on its plan to remove more than 17 million gallons of stranded crude oil from its Las Flores Canyon facility through Santa Barbara County after a pipeline, which moves oil from the facility, was shut down indefinitely following a May 2015 rupture and leak. The approved plan will move the stranded crude using up to 30 truck trips daily for as long as 6 months. In a statement, county officials said moving the oil from the tanks would decrease the potential risks posed by long-term storage, since the pipeline is expected to be inoperable for a prolonged period. Trucking operations are expected to begin within three weeks, and the company intends to continue coordinating local officials as it prepares to remove the crude.

<http://www.foxnews.com/us/2016/02/01/trucks-will-move-oil-stored-after-california-pipeline-break.html>

<http://www.sbcountyplanning.org/energy/projects/exxon.asp>

<https://www.oe.netl.doe.gov/docs/eads/ead012516a.pdf>

### **Kinder Morgan Finalizes Agreements for 15 Refined Products Terminals Totaling 9.5 Million Barrels of Storage**

Kinder Morgan has finalized agreements with BP Products North America to acquire 15 refined products terminals and associated infrastructure with approximately 9.5 million barrels of storage across the U.S. Both companies will form a joint venture limited liability company terminal business to own 14 of the acquired assets, which Kinder Morgan will operate and market on the JV's behalf—one terminal will be owned solely by Kinder Morgan.

Reuters, 12:53 February 1, 2016

## **Update: ExxonMobil Preparing to Restart FCCU, CDU at Its 344,600 b/d Beaumont, Texas Refinery – Sources**

ExxonMobil Corp was preparing on Monday to restart the 120,000 b/d fluidic catalytic cracking unit (FCCU) at its Beaumont, Texas, refinery for the first time since a January 21 power outage, as well as a 240,000 b/d large crude distillation unit (CDU). Both the FCCU and large CDU were on warm circulation, meaning they had reached operating temperatures with feedstocks circulating through them, the final step before resuming production, according to sources. The company also reported several unit startups over the weekend including a 110,000 b/d CDU, and a 65,000 b/d hydrocracking unit, which were impacted by the plant-wide shut down on January 21. Additionally, a hydrotreater serving the FCCU was expected to restart once the FCCU was restarted, and sulfur extraction units will also restart following the restoration of production units.

Reuters, 12:03 February 1, 2016

Reuters, 13:14 February 1, 2016

## **Valero Reports Upset at Its 205,000 b/d Corpus Christi East, Texas Refinery February 1**

Valero Energy Corp reported an upset at complex 7 at its Corpus Christi East, Texas refinery, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 9:40 February 1, 2016

## **ExxonMobil Reports Unplanned Flaring Due to Power Interruption at Its 149,500 b/d Torrance, California Refinery January 31**

ExxonMobil Corp on Sunday reported unplanned flaring at its Torrance, California refinery due to an external power interruption. The company said power was restored and refinery personnel were working to stabilize operations. There was no additional impact to production at the refinery, according to the company.

Reuters, 23:09 January 31, 2016

## **DOI Agrees to Environmental Review of Offshore California Oil Fracking January 29**

The Department of Interior (DOI) agreed to stop approving oil fracking off the California coast until it studies whether the practice is safe for the environment, according to legal settlements filed Friday. Separate deals reached with a pair of environmental organizations require DOI to review whether well techniques such as using acid or hydraulic fracturing to stimulate offshore well production threatens water quality and marine life. The agreements in Los Angeles federal court apply to operations off Ventura and Santa Barbara counties, where companies including ExxonMobil Corp. operate platforms. Federal agencies will have to complete the review by the end of May and determine if a more in-depth analysis is necessary. They will also have to make future permit applications publicly accessible. A DOI spokeswoman said the agency would comply with the agreement and is committed to safe offshore operations.

<http://finance.yahoo.com/news/us-agrees-environmental-review-offshore-oil-fracking-232626402.html>

## ***Natural Gas***

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### **Update: California Senators Seek Aliso Canyon Methane Leak Task Force in U.S. Energy Bill**

Senators Dianne Feinstein and Barbara Boxer on Friday announced they will introduce an amendment next week to energy legislation currently on the Senate floor that would direct Energy Secretary Ernest Moniz to lead a broad federal review of the cause and the response to the natural gas leak at Southern California Gas Company's Aliso Canyon Natural Gas Storage Facility—including making recommendations on immediate steps that could assist in solving this gas leak and in preventing and responding to future incidents. Under the amendment, Secretary Moniz would lead a six-member intergovernmental task force in probing the Aliso Canyon gas leak—including the impacts on surrounding communities and the environment—and issue findings within six months, with interim reports as necessary to respond to the leak. In addition to the Energy Department, the task force would include representatives from the Pipeline and Hazardous Materials Safety Administration, the Department of Health and Human Services, the Environmental Protection Agency, the Department of Commerce, and the Department of Interior.

<http://www.epw.senate.gov/public/cache/files/a1236102-9367-40c4-be3c-7927fd126074/1.12.16-letter-to-dot-epa-doj-final.pdf>

<http://www.feinstein.senate.gov/public/index.cfm/press-releases?ID=AE226B2D-3687-41F4-BC8A-9746453E19C6>

## DCP Midstream Reports Unit Shut, Flaring at Its 160 MMcf/d Goldsmith Gas Plant in Texas January 28

DCP Midstream reported residue gas had higher hydrogen sulfide concentrations than customer specifications so the gas was routed to the flare. During the startup of the unit, one of the turbines had a high pressure differential across a strainer that initiated a unit shutdown. The shutdown of the turbine increased pressure above the set point to the valve that triggers the emergency flare. The strainer to the turbine was being cleaned to reduce the pressure differential across the strainer.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=226825>

## Other News

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Nothing to report.

## International News

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### Libyan Oil Pipeline Damaged in Attack January 31

Maintenance teams were working to repair damage caused by an attack on an oil pipeline south of the Libyan port of Zueitina, a spokesman for the Petroleum Facilities Guard said on Monday. It was not clear who carried out the attack late on Sunday evening, but Islamic State militants have been active in the area in recent weeks. An explosion and fire hit the pipeline in the desert 47 miles south of the terminal, the spokesman said. The pipeline leads from oil field 103 to the export terminal at Zueitina, which was closed last year. Libya's oil production has fallen to under 400,000 b/d, less than a quarter of the 1.6 million b/d it was producing before the uprising in 2011.

Reuters, 12:47 February 1, 2016

## Energy Prices

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U.S. Oil and Gas Prices			
February 1, 2016			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	31.57	29.28	47.76
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	2.25	2.22	2.88
\$/Million Btu			

Source: Reuters

## Links

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***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](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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