



ENERGY ASSURANCE DAILY

Tuesday Evening, February 2, 2016

Electricity

Update: 1,600 LADWP Customers Remain Without Power in Southern California February 2 after El Nino Storm Hits January 31–February 1

A powerful El Nino storm brought heavy rainfall and damaging winds to Southern California beginning on Sunday with high winds continuing Monday, knocking out power to a total of 102,169 Los Angeles Department of Water and Power (LADWP) customers. On Monday afternoon, the utility had restored power to 63,000 customers before the region was hit with another windstorm knocking out power to an additional 39,169 customers. The utility 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 Tuesday, 1,600 customers remained without power.

<https://twitter.com/LADWP>

<http://www.ladwpnews.com/go/doc/1475/2782038/>

Update: 1,600 LADWP Customers Remain Without Power in Southern California February 2 after El Nino Storm Hits January 31

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<http://www.ladwpnews.com/go/doc/1475/2782038/>

Snowstorm Knocks Out Power to 18,900 OPPD Customers in Nebraska February 2

A strong snowstorm producing high winds knocked out power to 18,900 OPPD customers in Nebraska on Tuesday morning. Crews reported that oscillating wires and reduced visibility were impeding restoration efforts. As of 3:30 p.m. EST Tuesday, 1,639 customers remained without power.

<http://stormandoutage.com/2016/02/02/number-of-outages-rising-as-snow-high-winds-move-in/>

<http://ww3.oppd.com/power-outage-map/>

Entergy's 813 MW FitzPatrick Nuclear Unit in New York Reduced to 68 Percent by February 2

On the morning of February 1 the unit was operating at 87 percent.

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

Update: FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Ramps Up to 60 Percent by February 2

On the morning of February 1 the unit had restarted and was operating at 8 percent. The unit shut from 20 percent power on January 24 to repair a piping system weld. The unit was operating at full power on January 23.

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

https://twitter.com/Perry_Plant

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

Update: Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Ramps Up to 58 Percent by February 2

On the morning of February 1 the unit was operating at 18 percent after restarting by January 31. 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: PCWA's 218 MW Middle Fork and Ralston Hydro Unit in California Returns to Service by February 1

The unit returned from an unplanned curtailment of 188 MW that began on January 31.

<http://content.caiso.com/unitstatus/data/unitstatus201602011515.html>

El Segundo Energy Center's 263 MW Gas-fired Units 5/6 in California Shut by February 1

The units entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201602011515.html>

Shiloh Wind Project's 150 MW Wind Unit 1 in California Shut by February 1

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201602011515.html>

Sacramento Municipal Utility District's 128 MW Solano Wind Unit in California Shut by February 1

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201602011515.html>

Monthly Coal Use for Power Falls to 35-Year Low in November 2015 – EIA

U.S power generation from coal fell to the lowest monthly level in 35 years in November 2015 as generators switched to cleaner and cheaper natural gas, according to data from the U.S. Energy Information Administration (EIA). EIA added, that natural gas overtook coal as the leading source of U.S. power for a fifth month in a row in November, EIA said. Coal has been the primary source of fuel for U.S. power plants for at least a century, but its use has been declining since peaking in 2007 and is expected to decline further as the federal government imposes rules to limit carbon emissions. EIA said generators produced 101,866 thousand megawatt hours (MWh) of electricity with gas in November versus just 87,789 thousand MWh with coal, the lowest monthly level since May 1980 when monthly coal use was 84,884 thousand MWh.

Reuters, 13:43 February 1, 2016

Petroleum

Update: Colonial Restarts Its 1.16 Million b/d Line 2 after Suspected Integrity Issue February 2

Colonial Pipeline said its main distillate pipeline, Line 2, resumed normal operation early on Tuesday morning after both Lines 1 and 2 were shut on Monday morning to investigate a potential integrity issue. Colonial's main gasoline pipeline, the 1.37 million b/d Line 1, resumed normal operations on Monday afternoon. Additional public information, offering insights on the causes or resolutions from the temporary closures were not available.

Colonial's Lines 1 and 2 primarily 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, 9:27 February 2, 2016

Update: PBF Energy Issues Operational Update for Its 182,200 b/d Delaware City, Delaware Refinery February 1; FCCU Restart Expected This Weekend after Leak– Source

In an official statement released on Monday evening PBF Energy said that prevailing market conditions and current operational capability following the blizzard have prompted the company to move forward with its scheduled turnaround of the Delaware City coker and other related units. The company said it expects to complete its turnaround work by the end of the quarter, and as a result, East Coast throughput was expected to average between 280,000 to 300,000 b/d for the first quarter, and 320,000 to 340,000 over the entire year. In the statement, the company did not confirm trader speculation on Monday that a leak was discovered in the 82,000 b/d fluid catalytic cracker unit (FCCU) forcing operations to abandon restart efforts. On Tuesday, a source familiar with the plant's operations said restart efforts were in fact abandoned upon discovering a leak in the FCCU, but that the hole was repaired and the company expects to resume reduced operations at the rest of the plant by the end of this upcoming weekend.

<http://investors.pbfenergy.com/press-releases/2016/02-01-2016-224821256>

Reuters, 10:18 February 2, 2016

Update: ExxonMobil Reports Operations Required Flaring at Its 344,600 b/d Beaumont, Texas Refinery February 2

ExxonMobil reported operations required flaring at its Beaumont, Texas refinery on Tuesday, according to a community information line. On Monday, the company reported the refinery was continuing the process of restarting after a January 21 power outage caused a plant-wide shut down.

Reuters, 2:34 February 2, 2016

Update: ExxonMobil to Move Stranded Crude Oil to Kern County Pipeline Hub and Phillips 66's 44,500 b/d Santa Maria Upgrading Facility in California February 1

After ExxonMobil's trucking permit was approved by Santa Barbara County officials on Monday, the company provided further details on its plan to move more than 17 gallons of crude oil stranded in storage from its Las Flores Canyon facility. Prior to the Plains All American (PAA) Line 901 rupture in May 2015, the two storage tanks at the Las Flores Canyon facility typically held a minimum of 50,000 as the pipeline pulled inventory from the tanks for throughput. Now both tanks hold a combined total of approximately 425,000 barrels of crude oil, which the company cited as potential risks for catastrophic failure in the event of any fires, floods, or earthquakes. The permit will allow ExxonMobil to load the stored oil into 150-barrel trucks and transport it to a PAA pipeline hub in Kern County and another pipeline connected to Phillips 66's 44,500 b/d Santa Maria upgrading facility in Arroyo Grande. ExxonMobil expects the operation to last from 3 to 6 weeks with 30 truck trips per day.

Reuters 18:40 February 1, 2016

PBF Logistics Announces Acquisition of Four East Coast Refined Product Terminals from Plains All American February 2

PBF Logistics LP said on Tuesday a subsidiary would buy four refined product terminals located on the U.S. East Coast from an affiliate of Plains All American Pipeline LP for \$100 million, doubling its existing terminal capacity. The terminals are located near PBF Energy's refineries in Delaware City, Delaware and Paulsboro, New Jersey. The acquisition includes 57 product tanks with total capacity of about 4.2 million shell barrels, connections to several pipeline systems, 26 truck-loading racks, and marine facilities capable of handling barges and vessels. PBF Logistics said the deal, which will add third-party customers to its revenue base, was expected to close during the second quarter.

<http://www.pbflogistics.com/press-releases/2016/02-02-2016-115220980>

Reuters, 8:01 February 2, 2016

Citgo Reports Minor Upset at Its 167,000 b/d Lemont, Illinois Refinery February 2

Citgo Petroleum Corp reported there was no impact on production after a minor upset on an operating unit at its Lemont, Illinois refinery.

Reuters, 12:09 February 2, 2016

Phillips 66 Reports Emissions at Its 120,200 b/d Rodeo, California Refinery February 1

Phillips 66 reported emissions at its Rodeo, California refinery, according to a filing with the California Emergency Management Agency.

Reuters, 22:09 February 1, 2016

Tesoro Running More Imported Crude Oil – CEO

Tesoro Corp's refineries are running more imported crude as the oil price rout has sharply narrowed discounts of domestic oil to global crudes, the company's CEO said on Tuesday. The company has been taking in more foreign crude into the system as the differentials have justified doing that, the CEO added. Tesoro operates 6 refineries in the western United State with a combined total operable capacity of 844,160 b/d.

Reuters, 9:52 February 2, 2016

<http://tsocorp.com/refining/>

DOI Issues Alert on Offshore Oil Equipment Problems February 2

The Department of the Interior (DOI) issued a safety alert on Tuesday, warning offshore oil and gas drillers about a recurring problem of connector and bolt failures in equipment including blowout preventers. The Bureau of Safety and Environmental Enforcement (BSEE) said it was aware of the problem, which affected components used in risers and underwater blowout preventers used in offshore drilling. DOI said the failures were of great concern to BSEE due to their frequency and the potential for a catastrophic event. In 2012, failures led to a global recall of bolts and a temporary halt on drilling activities, BSEE said. BSEE recommended that drilling operators work with the original equipment manufacturers to verify all components satisfy the metallurgical properties specified by the makers and to follow installation and maintenance procedures.

http://www.bsee.gov/uploadedFiles/BSEE/Technology_and_Research/Technology_Assessment_Programs/Safety%20Alert%20-%20318%20%20Connector%20and%20Bolt%20Failures%2002-02-2016b.pdf

Reuters, 12:30 February 2, 2016

Natural Gas

Nothing to report.

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| February 2, 2016 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 29.85 | 29.41 | 48.03 |
| NATURAL GAS Henry Hub \$/Million Btu | 2.18 | 2.14 | 2.68 |

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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