



ENERGY ASSURANCE DAILY

Monday Evening, February 09, 2015

Electricity

Two Strong Storms, High Winds Knock Out Power to Over 437,000 PG&E Customers February 6–8 in California

Two large storms with heavy rain and strong winds knocked out power to 437,050 Pacific Gas & Electric (PG&E) customers in Northern and Central California Friday into Saturday. Wind gusts of up to 60 mph were reported, downing trees and power lines, PG&E officials said. PG&E said it has more than 2,000 personnel working around the clock dedicated to storm response and service restoration, and brought in crews from Washington and Arizona to assist. As of 3:30 p.m. EST Monday, 14,979 customers remained without power. PG&E crews expect to have power restored to all remaining customers by the end of the day Monday.

<http://www.pge.com/myhome/outages/outage/>

<https://twitter.com/pge4me>

http://www.pge.com/en/myhome/alerts/morealerts.page?WT.ac=MyHome_Landing_JanStormUpdates

<http://sanfrancisco.cbslocal.com/2015/02/09/2300-bay-area-residents-still-without-power-following-storm-with-powerful-winds/>

Update: Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Restarts by February 8, Ramps Up to 97 Percent by February 9

On the morning of February 8 the unit had restarted and was operating at 79 percent. The unit was shut from full power on January 27 when two main power transmission lines were knocked out during a blizzard.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

Update: PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey at Full Power by February 8

On the morning of February 7 the unit was operating at 90 percent. The unit was reduced to 60 percent, from full power by February 6.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

Duke Energy's 1,100 MW McGuire Nuclear Unit 1 in North Carolina Shut by February 7

On the morning of February 6 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

Southern's 870 MW Hatch Nuclear Unit 2 in Georgia Shut by February 9

On the morning of February 8 the unit was operating at 89 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi Shut on February 7

The unit shut from full power on February 7 due to an automatic reactor scram.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150209en.html>

Exelon's 850 MW Dresden Nuclear Unit 2 in Illinois Shut on February 6

The unit was shut automatically from full power due to loss of feedwater.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

<http://content.caiso.com/unitstatus/data/unitstatus201502081515.html>

Update: Cabrillo Power I, LLC's 300 MW Encina Gas-fired Unit 4 in California Returns to Service by February 7

The unit returned from an unplanned curtailment of 150 MW that began by February 6.

<http://content.aiso.com/unitstatus/data/unitstatus201502071515.html>

Petroleum

Update: USW Oil Workers at BP Refineries in Indiana and Ohio Join Strike February 8

The United Steelworkers (USW) on Saturday said that workers at BP's 415,000 b/d Whiting, Indiana and 135,000 b/d Toledo, Ohio refineries were joining the union's unfair labor practice strike against the oil industry that began on February 1. Workers at the refineries were set to join the strike at 12:01 a.m. Sunday morning. The union gave BP management notice on Friday, February 6 that about 1,100 members of USW Local 7-1 at the Whiting refinery and 340 members of Local 346-3 on Saturday would join nearly 3,800 USW oil workers already on strike at nine refineries in California, Kentucky, Texas, and Washington. In addition to health and safety issues, contracting out and health care, the USW said the unfair labor practice (ULP) strike is over the oil companies' bad faith bargaining, including the refusal to bargain over mandatory subjects; undue delays in providing information; impeded bargaining; and threats issued to workers if they joined the ULP strike. Negotiations between the USW and oil industry representatives are on a temporary hiatus, while the USW waits for the companies to comply with a long pending information request.

<http://www.usw.org/news/media-center/releases/2015/usw-oil-workers-at-bp-refineries-in-indiana-and-ohio-join-unfair-labor-practice-strike>

PES Restarts Cumene Unit at Its 335,000 b/d Philadelphia, Pennsylvania Refinery February 6

Reuters, 16:16 February 6, 2015

HollyFrontier Reports Unit Shut at Its 138,000 b/d El Dorado, Kansas Refinery February 6

HollyFrontier reported a release of nitrogen oxide from the flare stack at its El Dorado, Kansas refinery due to a unit being shut down on February 6, according to a filing with the National Response Center.

Reuters, 9:03 February 9, 2015

LyondellBasell's 263,776 b/d Houston, Texas Refinery Experiences Oil Discharge February 9

A discharge of unknown oil (gasoline odor) was reported on the asphalt and into a storm drain at LyondellBasell's Houston, Texas refinery, according to a filing with the National Response Center.

Reuters, 9:06 February 9, 2015

ExxonMobil Reports Sulfur Dioxide Emissions at Its 149,500 b/d Torrance, California Refinery February 8

Reuters 20:02 February 8, 2015

Marathon Announces Open Season for Its Cornerstone Pipeline and Utica Build-Out Projects in Ohio

Marathon Pipe Line LLC (MPL) and Ohio River Pipe Line LLC (ORPL) announced the commencement of a binding open season to assess interest and solicit commitments from prospective shippers for transportation service on the Cornerstone Pipeline and other associated Utica Shale build-out projects. The proposed Cornerstone Pipeline will originate in Harrison County, Ohio and deliver to Marathon Petroleum Company LP's (MPC) 80,000 b/d Canton, Ohio refinery and to ORPL's East Sparta, Ohio tank farm. The Cornerstone Pipeline is being designed as a 16-inch diameter pipeline system that will be routed to provide the opportunity for connections to various Utica Shale condensate stabilization facilities, fractionator facilities, cryogenic facilities, along with potential future gathering and storage facilities. The Cornerstone Pipeline will be a batched system with the ability to transport condensate, natural gasoline, diluents, and butane. The estimated in-service date for the Cornerstone Pipeline is anticipated to be late 2016. MPL, as operator of ORPL, is also advancing various Utica Build-Out Projects to provide service to additional markets beyond Canton, Ohio. The Cornerstone Pipeline will deliver volumes into the East Sparta tank farm for transportation to additional markets via the Utica Build-Out Projects, which include new construction and utilization of existing pipelines. These projects connect many of the Midwestern refineries to the Utica Shale production and ultimately provide the ability to reach the Chicago, Illinois area refineries and pipelines that supply diluent to Western Canada. The estimated in-service date for all of the Utica Build-Out Projects is anticipated to be mid-2017. The binding open season will conclude on March 13.

http://www.marathonpipeline.com/Shippers/Cornerstone_Pipeline_Utica_Build-Out_Projects_Binding_Open_Season/

Natural Gas

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas February 7

Regency reported the acid gas injector (AGI) compressor shut on high amine system pressure. The amine system pressure was fluctuating. Operators reset and restarted the compressor.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=209882>

DCP Midstream Reports SRU Operating Below Permit Levels at Its 160 MMcf/d Goldsmith Gas Plant in Texas February 7

DCP Midstream reported the sulfur recovery unit (SRU) was operating below the required 98 percent removal efficiency, which results in above permit limits on sulfur dioxide. Operations and engineering were working with the SRU experts to improve catalyst efficiency.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=209875>

ExxonMobil Reports Unit Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas February 5

ExxonMobil reported the Wauk-3 unit was shut to diagnose and repair issues with the engine. All available flowing wells were shut in to reduce and mitigate emissions. Mechanics replaced coils, 5 heads, carburetor diaphragm and all spark plugs.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=209802>

Applied LNG Begins Construction on Its Midlothian, Texas LNG Plant

Applied LNG announced today that construction has started on the first liquefaction train of its Midlothian LNG plant in Texas. The first liquefaction train at the Midlothian Plant is expected to be completed in mid-2015.

Reuters, 10:44 February 9, 2015

<https://twitter.com/AppliedLNG/>

Other News

Nothing to report.

Update: Libya Seeks to End Hariga Port Strike to Avert Oilfield Closure

Libya was trying to end a strike at the port of Hariga so that it can reopen the country's last working onshore export terminal there and prevent the closure of its largest still functioning oilfield, officials said on Monday. On Saturday, Libya shut most operations at the eastern port after security guards complaining they had not been paid prevented a tanker from docking. The closure could reduce Libya's oil exports to 100,000 b/d or less, according to calculations based on previous official data. Libya used to pump 1.6 million b/d before the 2011 uprising. Two offshore fields are still exporting oil, but all onshore ports and major fields have closed due to fighting or because factions have blocked pipelines to prevent their rivals from benefiting from crude oil revenues. Only the small port of Brega in the east is still open. It is used to supply the 120,000 b/d Zawiya refinery, which is needed to provide fuel for western Libya. The Hariga port used to export 120,000 b/d until members of a state petroleum protection force known as the PFG started their action on Saturday.

Reuters, 9:52 February 9, 2015

OPEC Says Oil Price Drop Hits Other Producers Much Faster Than Thought

The Organization of the Petroleum Exporting Countries (OPEC) sharply raised a forecast of demand for its own oil in 2015, saying the halving in prices since June would slow production in the U.S. and other countries faster than previously thought. In a monthly report issued on Monday, OPEC forecast demand for the group's oil will average 29.21 million b/d in 2015, up 430,000 b/d from its previous figure. OPEC cut its forecast for the rate of growth in non-OPEC supply by 420,000 b/d from last month's report to 850,000 b/d, partly due to a slowdown in the U.S. shale boom and lower capital investments by energy firms, arguing lower prices will also boost consumption. OPEC lowered its forecast of total U.S. oil supply in 2015 by 170,000 b/d, having already lowered it by 100,000 b/d last month.

Reuters, 9:52 February 9, 2015

Pipes at Kashagan Oilfield in Kazakhstan to be Replaced in 2016 – KazMunaiGas

The pipeline network at Kazakhstan's giant Kashagan oilfield must be replaced in the second half of 2016, Kazakh state oil and gas firm KazMunaiGas said on Monday. Italian oil service company Saipem said on Friday it had won a contract to lay the replacement pipelines and said it planned to finish the work by the end of 2016. KazMunaiGas confirmed an earlier Kazakh estimate that crude could be pumped again in late 2016.

Reuters, 5:06 February 9, 2015

Energy Prices

U.S. Oil and Gas Prices			
February 9, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	53.17	48.03	99.88
NATURAL GAS Henry Hub \$/Million Btu	2.55	2.68	5.88

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>

Please direct comments and questions to: ead@oe.netl.doe.gov