



# ENERGY ASSURANCE DAILY

Tuesday Evening, February 11, 2014

## *Electricity*

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### **Utilities Ready, Crews on Standby as More Winter Storms Approach Southern States**

Snow, sleet, rain, and freezing rain began across the region on Monday night and were forecast to continue through much of Tuesday stretching from southern North Carolina and upstate South Carolina, across northern Alabama, central Mississippi and into central Texas. Entergy Mississippi, Inc. said Monday it was ready and waiting to respond to any outages from the weather today. The wintery weather over the next couple of days is expected to cause power outages in many parts of the company's service area, and unsafe road conditions could hamper restoration efforts, Entergy Mississippi vice president of customer service said. In some of the hardest hit areas restoration could take three to four days based on current weather forecasts but Entergy Mississippi said it would provide more accurate restoration times once the extent of any damage is known. Huntsville Utilities, Entergy Arkansas, Delaware Electric, Entergy Mississippi, Dominion Power, Santee Cooper, and South Carolina Electric and Gas have all said they are ready for the winter weather and have crews on standby. Georgia Power recalled its storm teams on Monday that were assisting with the restoration in Pennsylvania in order to reinforce its remaining crews on standby. The governors of Georgia, Louisiana, Mississippi, North Carolina, and South Carolina have all declared a state of emergency.

<http://www.accuweather.com/en/weather-news/ice-storm-begins-to-unfold-in/23186487>

[http://www.entergy.com/news\\_room/newsrelease.aspx?NR\\_ID=2859](http://www.entergy.com/news_room/newsrelease.aspx?NR_ID=2859)

<https://twitter.com/HSVUtilities>

<https://twitter.com/DEElectricCoop>

<https://twitter.com/EntergyMS>

<https://twitter.com/DomVAPower>

<https://twitter.com/santeecooper>

<https://twitter.com/scegnews>

### **Exelon's 1,022 MW Clinton Nuclear Unit in Illinois Reduced to 70 Percent by February 11**

On the morning of February 10 the unit was operating at 97 percent, according to the Nuclear Regulatory Commission.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

### **Update: Progress Energy's 811 MW Brunswick Nuclear Unit 2 in North Carolina Ramps Up to 99 Percent by February 11**

On the morning of February 10 the unit was operating at 83 percent from 40 percent by February 9, according to the Nuclear Regulatory Commission. The unit was operating at full power February 6 before reducing to 23 percent by February 7.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

### **FirstEnergy Begins \$600 Million Upgrade at Its 925 MW Davis-Besse Nuclear Plant in Ohio February 10**

FirstEnergy Corp. has begun work to replace the two original steam generators at the Davis-Besse nuclear plant near Toledo, Ohio. An Ottawa County commissioner said the plant's new steam generators demonstrate a firm commitment to the region and show the utility has no plans to shut down Davis-Besse before April 2037.

<http://www.therepublic.com/view/story/b1a9204609844040a7dc3d452be27bd3/OH--Nuclear-Plant-Upgrade>

### **Update: FERC Extends Order Prioritizing Propane Shipments on Enterprise TE Products Pipeline to February 21**

On February 11, the Federal Energy Regulatory Commission (FERC) extended its February 7 order that directed Enterprise TE Product Pipeline Company, LLC (TEPPCO) to temporarily provide priority treatment to propane shipments from Mont Belvieu, Texas, to locations in the Midwest and Northeast in order to help alleviate a shortage of propane supplies in those regions. The order, which was initially effective through February 14, was extended through February 21. The extension came after Enterprise TEPPCO on February 10 filed a response to the order saying that the extension was necessary to fully satisfy concerns raised in a petition filed by the National Propane Gas Association (NPGA) on February 6. Concurrently, NPGA withdrew its petition, which had requested that FERC exercise emergency powers to require Enterprise TEPPCO to temporarily provide priority treatment for up to 75,000 b/d of propane shipments from Mont Belvieu to locations in the Midwest and Northeast beginning immediately and extending through the first week of March 2014 or “until such time as the emergency is resolved.”

[http://elibrary.ferc.gov/idmws/File\\_list.asp?document\\_id=14185927](http://elibrary.ferc.gov/idmws/File_list.asp?document_id=14185927)

### **Midwestern House Members Ask Energy and Commerce Committee to Review Propane Shortage February 7**

House legislators asked leadership of the House Energy and Commerce Committee to review the cause of recent propane supply issues, the outlook of Midwestern supplies, and potential solutions to the problem. Nearly 40 Congressmen and women signed on to the letter Friday, addressed to Representatives Fred Upton and Ed Whitfield. The request comes shortly after other groups of lawmakers have raised concerns about propane shortages.

<http://farmfutures.com/story-lawmakers-request-hearing-propane-issues-0-108573>

### **AmeriGas Investigating Leak from 17,000 Gallon Propane Tank in New York**

AmeriGas is investigating the cause of a leak from a 17,000 gallon propane tank from in Wilton, New York, that occurred on February 7. About 140 people were evacuated while crews spent five hours pumping the liquid propane into other tanks before a controlled burn of the vapors.

[http://poststar.com/news/local/propane-leak-forces-evacuation-investigation-continues/article\\_1dc0a79c-9108-11e3-9346-0019bb2963f4.html](http://poststar.com/news/local/propane-leak-forces-evacuation-investigation-continues/article_1dc0a79c-9108-11e3-9346-0019bb2963f4.html)

### **Genesee & Wyoming Cuts Speeds of Crude Trains after November 2013 Derailment in Alabama**

U.S. railway Genesee & Wyoming Inc. has cut speeds of trains moving crude oil and increased inspections after a fiery derailment involving one of its trains in Alabama last November, the company’s Chief Operating Officer said on Tuesday. Twenty-five railcars carrying crude that was part of a 90-car train derailed in early November. Genesee said at the time that data recorders showed the train was going slower than the 40-mph speed limit. The company said it cut speeds and increased inspections to increase precautions when transporting crude.

Reuters, 9:56 February 11, 2014

### **Delek Restarting Its 83,000 b/d El Dorado, Arkansas Refinery After Completing Turnaround February 11**

Delek US Holdings Inc. said on Tuesday a turnaround at its refinery in El Dorado, Arkansas, was nearing completion and a restart of the plant was underway. The refinery would increase throughput rates over the next two weeks as it becomes fully operational following the turnaround, which began on January 4, the company said in a statement. During the turnaround, the pre-flash tower project to increase light crude capability by 10,000 b/d was completed. Also, the fluid catalytic cracking reactor was replaced with state of the art technology, the company said. The turnaround will enable the refinery to achieve crude throughput of 80,000 b/d, it added.

Reuters, 8:29 February 11, 2014

### **Chevron Reports Spill Due to Process Upset at Its Platform in Main Pass Block 300 of Gulf of Mexico February 10**

Chevron Corp. reported an equipment failure at its platform in Covington, Louisiana, according to a notice filed with the National Response Center. There was a process upset that caused a sheen in the Gulf of Mexico, the filing said.

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1073561](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1073561)

## **Tallgrass Pipeline Converting Pony Express Pipeline to Carry Light Crude Oil from Wyoming to Oklahoma**

Tallgrass Development LP is investing approximately one billion dollars to retrofit the Pony Express Pipeline to carry oil instead of natural gas and to extend it by 260 miles to Cushing, Oklahoma. Pony Express will transport domestic light crude found in Wyoming, North Dakota, and Montana to Oklahoma. The Pony Express Pipeline was one of the first projects converted in the other direction, from oil to natural gas, in 1996. When the current conversion and extension is complete, the Pony Express Pipeline will originate at Guernsey, Wyoming go southeast crossing through the corners of Colorado and Nebraska before turning south at Lincoln, Kansas, terminating at an existing oil facility in Cushing, Oklahoma. The company expects the Pony Express pipeline to be in service in August 2014. According to information from Kinder Morgan, the original owner of Pony Express, it should transport up to 100,000 b/d.

[http://trib.com/business/energy/the-big-switch-pipeline-turns-from-natural-gas-to-oil/article\\_f426d394-14e6-5440-affb-42858947750a.html](http://trib.com/business/energy/the-big-switch-pipeline-turns-from-natural-gas-to-oil/article_f426d394-14e6-5440-affb-42858947750a.html)

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## ***Natural Gas***

### **Fire, Explosion Reported at Chevron Appalachia's Lanco 7H Natural Gas Well in Pennsylvania February 11**

A fire was reported at about 6:45 a.m. today at Chevron Appalachia's Lanco 7H natural gas well in Dunkard Township, Pennsylvania, and continued to burn this afternoon. Twenty workers were on site when the explosion occurred, with one worker reported injured and another missing. A Chevron spokesperson said personnel immediately responded to the fire and called in assistance from Wild Well Control. Crews at the scene reported that intense flames have kept them from getting too close to the well and state police have reportedly set up a half-mile perimeter. Chevron did not immediately know the cause of the blast, the company spokesperson said.

<http://www.chevron.com/news/mediareources/updates.news>

<http://www.statejournal.com/story/24692001/1-injured-1-missing-at-green-county-pa-gas-well-fire>

<https://twitter.com/Chevron>

### **Cameron LNG Receives DOE License to Export 1.7 Bcf/d to Non-FTA Countries from Proposed Hackberry, Louisiana Liquefaction Facility February 11**

The U.S. Department of Energy (DOE) today issued a conditional authorization that allows Sempra subsidiary Cameron LNG to export domestically produced liquefied natural gas (LNG) from its proposed liquefaction facilities in Hackberry, Louisiana, to countries that do not have a free trade agreement (FTA) with the U.S. Subject to environmental review and final regulatory approval, the authorization conditionally approves Cameron LNG to export up to 12 million tonnes per annum, or approximately 1.7 Bcf/d, of natural gas for 20 years commencing on the date of first export. Cameron LNG also received notice on January 10 that the Federal Energy Regulatory Commission (FERC) issued the draft environmental impact statement to construct and operate the liquefaction facilities. Cameron LNG is the first liquefaction project pending review before FERC to have reached this significant milestone in the permitting process.

<http://sempra.mediaroom.com/index.php?s=19080&item=136913>

### **Enbridge Reports Unscheduled Maintenance on Comp-1 at Its Pittsburg Gas Plant in Texas February 9**

Enbridge reported its Pittsburg plant conducted unscheduled maintenance on Comp-1 to address vibration concerns. During this period Comp-1 was depressurized and emissions normally captured by the vapor recovery unit system were directed to the HP-flare resulting in the maintenance event. Enbridge operators reduced inlet rates and depressurized Comp-1 so required maintenance could be performed on the unit. Once the maintenance is complete, mechanics will return Comp-1 and the vapor recovery unit to service.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=194010>

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## ***Other News***

Nothing to report.

## International News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
February 11, 2014			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	99.98	97.35	96.43
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.63	5.26	3.26

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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