



ENERGY ASSURANCE DAILY

Wednesday Evening, February 12, 2014

Major Developments

More Than 450,000 Customers Without Power as Major Snow Storm Moves across Southeastern U.S. February 12

As of 3:30 p.m. EST today, there are approximately 450,000 electric customer outages related to widespread winter weather currently moving across the southeastern U.S. Outages were increasing in many areas at the time of this report. The storm track is moving into the Mid-Atlantic tonight and continuing to move into the Northeast and New England Thursday and Friday. The majority of sustained outages are concentrated in Georgia, South Carolina, North Carolina, and Louisiana. Utilities in the affected area and those in the path of the storm have positioned crews to respond. Several utilities report that they are also enlisting out-of-state crews to support the response.

Southeast Customer Power Outages			
February 12			
Electric Utility	State	Peak	Latest Reported
Central Alabama Electric Cooperative	AL	1,555	1,555
Georgia Power	GA	135,722	128,502
Jefferson Energy Cooperative	GA	11,383	11,383
Central Georgia Electric Member Corp.	GA	2,536	2,536
Southern Rivers Energy	GA	1,871	1,871
AEP SWEPSCO	LA	35,460	6,124
Central Louisiana Electric Company	LA	29,468	29,468
Entergy Louisiana	LA	9,915	9,915
Entergy Mississippi	MS	3,261	2,583
Duke Energy Progress	NC	81,437	81,437
South Carolina Electric & Gas	SC	98,835	96,992
Duke Energy Progress	SC	30,506	30,506
Santee Cooper	SC	25,882	25,882
Horry Electric Cooperative	SC	18,380	18,380
AEP SWEPSCO	TX	11,806	236
Oncor	TX	9,926	1,893
TOTAL *		507,943	449,263

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

Sources:

- <http://apps.ameren.com/outage/outagemap.aspx?state=IL>
- <http://www.jeffersonenergy.com/>
- <http://www.cgemc.com/>
- <http://outagemap.georgiapower.com/external/default.html>
- <https://www.cleco.com/storm-center>
- <https://www.swepco.com/outages/>
- <http://www.etrviewoutage.com/external/la.aspx>
- <http://www.etrviewoutage.com/external/ms.aspx>
- <http://outages.horryelectric.com/>
- http://www.sceg.com/en/storm-center/outage-map/?WT.mc_id=Mktwl_ViewOutages
- <http://stormcenter.santeecooper.com/default.html>
- <https://www.progress-energy.com/app/outagemaps/carolinas.aspx>
- <https://www.aeptexas.com/outages/>
- <https://www.facebook.com/SWEPSCO>
- <http://stormcenter.oncor.com/default.html>

Electricity

PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey Ramping Up After Repairs February 12

Public Service Enterprise Group Inc. (PSE&G) said on Wednesday it was ramping up unit 2 at its Hope Creek-Salem nuclear power plant in New Jersey after power was cut on Tuesday for repairs to fix a minor leak in a tube. The unit had been reduced to 49 percent power from full power by February 12, according to the Nuclear Regulatory Commission.

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

Reuters, 8:04 February 12, 2014

Update: PG&E's 1,087 MW Diablo Canyon Nuclear Unit 2 in California Resumed Service February 8 after Outage due to Electrical Flashover February 2

PG&E reported unit 2 at its Diablo Canyon nuclear power plant returned to service February 8 after shutting down February 2 due to an electrical arc that occurred on the non-nuclear side of the plant.

<http://www.sanluisobispo.com/2014/02/08/2915112/diablo-canyons-unit-2-resumes.html>

Petroleum

Midwest Propane Stocks Decline to 8.97 Million Barrels February 7

Propane stocks in the Midwest (PADD 2) closed the week ending February 7 at 8.97 million barrels, down 6 percent from the previous week. Midwest stocks for the week are 28 percent below the 5-year minimum, and 40 percent below the same week in 2013. Midwest inventories for the same week in February have ranged from 12.4 to 19.1 MMB over the previous 5 years. The Midwest has been experiencing shortages of propane due to the recent cold weather driving up demand for home heating and a number of supply and demand factors earlier in the heating season.

<http://www.eia.gov/petroleum/supply/weekly/>

EIA Lowers U.S. Oil Output Forecast by 100,000 b/d for 2014, 2015 due to Slowdowns in Completing New Wells from Severe Weather This Winter

In its latest monthly short-term energy outlook, released Tuesday, the Energy Information Administration (EIA) cut its 2014 crude oil production forecast by 100,000 b/d to 8.4 million b/d and its 2015 forecast by 100,000 b/d to 9.2 million b/d due to severe weather that has caused temporary slowdowns in completing new wells.

However, the EIA said improving technology may cause a faster rise than currently forecast over the next two years.

<http://www.eia.gov/todayinenergy/detail.cfm?id=14991>http://www.rigzone.com/news/oil_gas/a/131563/EIA_Lowers_US_Oil_Output_Forecast_But_Highlights_Shale_Upside

Tesoro Reports Two Workers Injured by Chemical Release, Gasoline Unit Shut at Its 166,000 b/d Martinez, California Refinery February 12

Tesoro Corp. said two workers were injured following a chemical release at its Golden Eagle refinery in Martinez, California, on Wednesday. Tesoro said it shut a gasoline production unit at the refinery.

Reuters, 11:35 February 12, 2014

Shell Reports Normal Operations at Its 145,000 b/d Anacortes, Washington Refinery February 11 after Multiple Process Unit Trip February 6

Royal Dutch Shell Plc said its Puget Sound refinery in Anacortes, Washington, was back to normal operations. It had reported a multiple process unit trip at the refinery in a filing with the Northwest Clean Air Agency on February 6.

Reuters, 17:36 February 11, 2014

ExxonMobil Reports Spill into Yellowstone River at Its 60,000 b/d Billings, Montana Refinery February 11

ExxonMobil Corp. reported a discharge of an unknown amount of petroleum product into the Yellowstone River on Tuesday evening at its refinery in Billings, Montana, a filing with the National Response Center said. The cause of the spill was under investigation, the filing said.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1073663

ExxonMobil Reports Relief Valve Malfunction at Its 344,500 b/d Beaumont, Texas Refinery February 11

ExxonMobil Corp. reported a relief valve malfunction causing a release from the vapor recovery system at its Beaumont, Texas, refinery on Tuesday, according to a notice filed with the National Response Center. The release led to the formation of a sheen on the Neches River, the filing said.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1073650

Shell Restarting Unit at Its 255,000 b/d Scotford, Alberta Upgrader Facility February 12

Royal Dutch Shell Plc is restarting an unspecified unit at its upgrader facility at the Scotford refinery near Edmonton, Alberta, it said in a message posted on a community information line on Wednesday. It runs a 255,000 b/d oil sands upgrader facility and a 100,000 b/d refinery at Scotford. There could be intermittent flaring over the next 24 hours, but there would be no material impact on production, the company said.

Reuters, 2:45 February 12, 2014

Natural Gas

Update: Fire, Release Continues at Chevron Appalachia's Lanco 7H Well Pad in Pennsylvania Late February 11

At approximately 6:45 a.m. on Tuesday, a fire was reported on Chevron Appalachia's Lanco 7H well pad in Dunkard Township, Pennsylvania. The Lanco well pad has three natural gas wells that were in the final stages of preparation before being placed into production. There was no drilling or hydraulic fracturing taking place at the time of the incident. Preparations were being made to run tubing which is often done prior to bringing wells into production. As of 10:50 p.m. yesterday, an uncontrolled release and fire were still reported at the 7H well. The cause of the incident was not known, and Chevron has mobilized representatives from Wild Well Control, who are currently on-site and working with Chevron to develop plans to safely address the situation.

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

City of Corpus Christi Gas Department Reports Fire from Main Gas Line in Corpus Christi, Texas February 11

A fire due to the release of natural gas from a main gas line was reported by the City of Corpus Christi Gas Department on Tuesday morning, according to a filing with the National Response Center. The report mentions 6,200 block of Saratoga Blvd in Nueces County, Corpus Christi, as the location of the incident. The cause of the leak was undetermined and no evacuations or injuries were reported at the time of notification, the filing added. The local fire department was working to secure the line.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1073628

Reuters, 00:46 February 12, 2014

Targa Reports AGC Shut at Its 150 MMcf/d Sand Hills Gas Plant in Texas February 10

Targa reported the acid gas compressor (AGC) (C-14) was shut due to the control panel for lube oil no flow condition. A rupture disc in the trabon lube system ruptured causing lube oil to be directed to a drain rather than to lubrication points. This caused acid gas to be routed to the acid gas emergency flare (F-4). Maintenance technicians were immediately called out to troubleshoot the malfunction and restart the acid gas compressor (C-14). The rupture disc was replaced and the acid gas compressor (C-14) was restarted. As soon as the compressor was restarted flaring stopped at the acid gas emergency flare (F-4).

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=194016>

Other News

EPA Clarifies Permit Rule for Diesel Use in Fracking February 11

U.S. oil and gas drillers must get permits to use a range of diesel fuels in hydraulic fracturing, the Environmental Protection Agency (EPA) said on Tuesday, in its first clarification of laws restricting the use of the fuel considered harmful to water supplies. The 2005 Energy Policy Act contained a provision limiting federal regulation of fracking under safe drinking water law unless drillers were using diesel in fracking fluids. The exact definition of the diesel fuel to be regulated was unclear until Tuesday when the EPA outlined what variations of the fuel are subject to permitting. The EPA defined 5 chemical variations of the fuel including types of jet fuel, kerosene and products known in the industry as diesels No. 1, No. 2 and No. 4.

http://www.downstreamtoday.com/news/article.aspx?a_id=42255

<http://yosemite.epa.gov/opa/admpress.nsf/f0d7b5b28db5b04985257359003f533b/1bff69764b49be5b85257c7c006b0f4d!OpenDocument>

International News

Libya's Wafa Oil and Gas Pipelines Shut Due to Protests February 12

Protesters have shut gas and oil pipelines from Libya's Wafa oilfield, and are threatening to block another line from El Sharara field, an oil workers' union and the National Oil Corporation (NOC) said on Wednesday. The head of the oil workers' union at Mellitah port complex that is fed by Wafa said Wafa was still open but pipelines to the field were shut. Al-Wafa produces normally around 30,000 b/d of very light oil condensate.

Reuters, 09:09 February 12, 2014

Egyptian Pipeline Blown Up by Militants in Sinai February 11

Egyptian security officials say suspected al-Qaida-inspired militants blew up a natural gas pipeline in the Sinai Peninsula on Tuesday. The officials say the explosion took place in a desert area south of el-Arish, the provincial capital of North Sinai. The pipeline carries natural gas to Jordan and feeds heavy industry factories in central Sinai. The officials say pipeline technicians were forced to shut the flow of gas in order to get the fire under control.

http://www.downstreamtoday.com/news/article.aspx?a_id=42249

Energy Prices

U.S. Oil and Gas Prices			
February 12, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	100.50	96.89	97.35
\$/Barrel			
NATURAL GAS			
Henry Hub	7.73	7.91	3.20
\$/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>

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