



ENERGY ASSURANCE DAILY

Tuesday Evening, March 05, 2013

Electricity

Mid-Atlantic Utilities Preparing for Potential Outages as Winter Storm Moves East

The U.S. National Weather Service on Tuesday said a winter storm system affecting the Midwest and southern Great Lakes will move into the Ohio Valley by Tuesday evening, and into the Mid-Atlantic on Wednesday, where it is forecast to produce 6–10 inches of snow, with as much as 10–20 inches possible in the higher elevations of West Virginia and western Virginia. As of Tuesday afternoon, Midwestern utilities were reporting only minimal power outages. Meanwhile, utilities serving customers in the Mid-Atlantic were preparing for the storm, readying crews and equipment to respond quickly in the event of outages. Baltimore Gas & Electric said it was making an initial request for assistance from up to 500 out-of-state utility workers through mutual assistance networks, in addition to the utility's own field crews and employees. FirstEnergy Corp., which serves customers in Maryland, West Virginia, New Jersey, Ohio, and Pennsylvania, encouraged its customers to prepare for power outages that could result from high winds and heavy snow.

<http://www.weather.gov/>

<http://www.bge.com/BGE%20Prepares%20for%20Winter%20Storm%20Final%203.4.13.pdf>

https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/firstenergy-offers-tips-to-prepare-for-winter-storm.html

NPPD Reports Unanalyzed Condition Due to Mechanical Seal Material Design at Its 478 MW Fort Calhoun Nuclear Power Plant in Nebraska

The Nebraska Public Power District (NPPD) reported that the mechanical seals used in two Low Pressure Safety Injection Pumps and three Containment Spray Pumps at its Fort Calhoun nuclear power plant are made of a material that may not maintain the designed integrity of the systems under certain accident conditions, according to a filing with the U.S. Nuclear Regulatory Commission. These seals have been installed since original plant construction. This issue was discovered by plant personnel while researching requirements for the replacement parts during scheduled outage activities.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130305en.html>

Update: AES's 175 MW Redondo Gas-Fired Unit 6 in California Returns to Service by March 4

The unit returned from an unplanned outage that began by March 3.

<http://content.aiso.com/unitstatus/data/unitstatus201303041515.html>

Calpine's 135 MW Calpine American Gas-Fired Unit in California Shut by March 4

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201303041515.html>

Petroleum

New Jersey State Senate Panel Clears Two Measures Aimed at Preventing Fuel Crisis

A New Jersey State Senate panel on Monday unanimously cleared two measures aimed at preventing another fuel crisis like the one that followed Hurricane Sandy, which caused major disruptions to the State's fuel supply chain. One bill would waive a license requirement for fuel distributors who deliver from out-of-state, and the other would allow stations to cut the price of premium fuel if they run out of lower-octane gas. Both bills would take effect only if the governor declares an energy emergency.

<http://www.businessweek.com/ap/2013-03-05/nj-measures-to-prevent-another-gas-crisis-approved>

Marathon Reports ARU, DDU Emissions at Its 451,000 b/d Galveston Bay, Texas Refinery March 3

Marathon Petroleum Corp. reported emissions from an aromatics recovery unit (ARU) and a distillate desulfurization unit (DDU) at its Galveston Bay refinery in Texas City Sunday night, according to a filing with the Texas Commission on Environmental Quality. Operators slowed down the process of depressuring the tower.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179996>

Citgo Restores Normal Operations at Its 163,000 b/d Corpus Christi, Texas Refinery after Mechanical Issue Caused Flaring March 4

Citgo Petroleum Corp. on Monday said it had restored the West Plant at its Corpus Christi refinery back to normal operations after a mechanical issue caused flaring earlier in the day. Operators had reported flaring at the West Plant in a filing with the Corpus Christi/Nueces County Local Emergency Planning Committee. Operators had also restored normal operations at the refinery's East Plant, as well, although it's not clear what malfunction had occurred in that facility.

Reuters, 12:48 March 4, 2013

Update: BP Restarts 102,500 b/d FCCU at Its 265,000 b/d Carson, California Refinery March 4 – Sources

BP Plc was restarting a 102,500 b/d fluid catalytic cracking unit (FCCU) at its Carson refinery on Monday, according to sources familiar with operations. The FCCU and a related alkylation unit recently underwent a 6-week overhaul, originally scheduled to finish by February 22, which was extended due to unexpected repairs. The FCCU restart could last through March 12, but may be completed earlier, sources said. The alkylation unit will restart once the FCCU returns to production.

Reuters, 12:33 March 4, 2013

U.S. Net Exports of Jet Fuel at Record 131,000 b/d in December 2012; Annual Net Exports at Record 77,000 b/d in 2012 – Energy Information Administration

<http://blogs.platts.com/2013/03/05/jet-exports/>

Natural Gas

Shell Announces Plans to Build Two Small-Scale Liquefaction Units to Form Basis of LNG Transport Corridors in the Great Lakes and Gulf Coast Regions

Shell today announced plans to develop two small-scale liquefaction units that will form the basis of two new liquefied natural gas (LNG) transport corridors in the Great Lakes and Gulf Coast regions. In the Gulf Coast Corridor, Shell plans to install a 0.25 million tons per annum (mpta) liquefaction unit at its Shell Geismar Chemicals facility in Geismar, Louisiana. Once operational, this unit will supply LNG along the Mississippi River, the Intra-Coastal Waterway, and to the offshore Gulf of Mexico and the onshore oil and gas exploration areas of Texas and Louisiana. In the Great Lakes Corridor, Shell plans to install a 0.25-mpta liquefaction unit at its Shell Sarnia Manufacturing Centre in Sarnia, Ontario. Once operational, this project will supply LNG fuel to all five Great Lakes, their bordering U.S. states and Canadian provinces, and the St. Lawrence Seaway. Pending final regulatory permitting, these two new liquefaction units are expected to begin operations and production in about three years.

<http://www.shell.us/aboutshell/us-media-center/news-and-press-releases/2013/03052013-natural-gas-transport.html>

Fuel Scrubber Malfunction Causes Unit Shutdown, Emissions at Exterran's 50 MMcf/d Reinecke Gas Plant in Texas March 2–3

Exterran reported its Reinecke gas plant was down Saturday morning when the fuel scrubber-dump failed, causing fluid to get into fuel gas, which led to emissions, according to a filing with the Texas Commission on Environmental Quality. Emissions related to this incident lasted 6 hours. On Sunday, Unit 72833 went down on scrubber level because the scrubber was not dumping liquids.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180004>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180005>

Other News

Thief Steals at Least 300 Pounds of Copper Wire from Entergy Facility in Arkansas over Last Six Months

<http://www.kait8.com/story/21441858/police-monette-man-admits-to-stealing-300-lbs-of-copper-from-entergy>

International News

TAQA Shuts 100,000 b/d Brent Crude Oil Pipeline Network in U.K. North Sea after Detecting Comorant Alpha Platform Leak March 2; Network Remains Shut March 5

The Abu Dhabi National Energy Company, known as TAQA, on Saturday reported it shut its Comorant Alpha platform and the 100,000 b/d Brent pipeline infrastructure in the northern U.K. North Sea after detecting a hydrocarbon release in one of the platform legs during maintenance work that morning. The 91-mile pipeline carries oil from nine platforms extending across 20 North Sea oilfields to the Sullom Voe terminal in the Shetlands, supplying around 10 percent of the United Kingdom's North Sea oil and gas production. TAQA's Tern, Eider, and North Cormorant platforms were also shut down as a result of the leak, and Total SA has been forced to stop production in the Alwyn area, halting natural gas exports to the St. Fergus terminal, which delivers an average of 21 percent of the natural gas used in the United Kingdom each day. The release was contained within the platform leg and did not leak into the environment. The company evacuated 71 nonessential personnel from the platform Saturday as a precaution. The platform and pipeline remained closed Monday as operators worked to determine the source of the leak, and the company could not estimate when the system would resume operation. A previous leak occurred in the same platform leg in mid-January, shutting down the system for 2 days.

http://www.taqaglobal.com/media-centre/press-releases/2013/02a-03-2013.aspx?sc_lang=en

<http://online.wsj.com/article/SB10001424127887324678604578340204197034778.html>

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/8200038>

Update: Mellitah Natural Gas Complex Resumes Production in Libya by March 4 after Suspension Due to Local Clashes Last Weekend

Eni SpA on Monday said it was in the process of restarting Libyan natural gas exports to Italy after a suspension due to clashes between local militias Saturday, according to a company official. Eni had halted gas shipments through the Greenstream pipeline linking Libya and Italy after production at the Mellitah complex, which it operates as a joint venture with Libya's National Oil Co., was fully suspended due to the conflict. Eni said Monday it appeared the Libyan army would be allowed into the area to protect the site. Libya exports about 8 billion cubic meters of gas a year to Italy, or about 10 percent of the country's needs, via the Greenstream pipeline. The pipeline can begin exporting 24–36 hours after output restarts.

http://www.rigzone.com/news/oil_gas/a/124770/Eni_to_Restart_Libya_Gas_Exports_after_Militant_Clashes

<http://www.nytimes.com/2013/03/05/business/energy-environment/05iht-gas05.html?partner=yahoofinance&r=0>

China Overtakes U.S. as World's Top Oil Importer in December 2012; U.S. Had Been Largest Net Importer of Oil Since the Mid-1970s

http://edition.cnn.com/2013/03/04/business/china-u-s-oil-importer/?hpt=ibu_c2

Energy Prices

U.S. Oil and Gas Prices			
March 5, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	90.24	92.08	106.86
NATURAL GAS Henry Hub \$/Million Btu	3.53	3.42	2.38

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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