



ENERGY ASSURANCE DAILY

Tuesday Evening, March 13, 2012

Electricity

Powerful Windstorm Knocks Out Power to 110,000 BC Hydro Customers in British Columbia March 12

A powerful wind storm lashed coastal British Columbia on Monday, cutting power to nearly 110,000 BC Hydro customers and cancelling ferry sailings. The winds struck Vancouver Island the hardest, knocking out 90,000 BC Hydro customers there. Power outages were reported throughout the Vancouver metro region and the Sunshine Coast, with wind gusts of 100–130 kilometers per hour recorded in some regions early Monday morning. As of 1:00 PM PT on Tuesday, BC Hydro was reporting 21,646 customers remained without power in its service area. BC Ferries cancelled sailings early Monday on most major routes to and from Vancouver Island because of the winds and rough seas, restoring service gradually as the day progressed. The ferry cancellations impeded BC Hydro crews from reaching some smaller islands in the area, and the utility said that it could take until Tuesday night to restore power to all its customers affected by the storm.

<http://www.news1130.com/news/national/article/340209--bc-windstorm-knocks-out-power-to-thousands-forces-ferry-cancellations>

<http://www.cbc.ca/news/canada/british-columbia/story/2012/03/13/bc-hydro-windstorm-aftermath.html>

<http://www.bchydro.com/outages/orsTableView.jsp>

High Winds Cut Power to More Than 28,000 PGE and Pacific Power Customers in Oregon March 12

High winds raced through Oregon Monday, knocking over trees and power lines with gusts of up to 50–60 miles per hour recorded in some areas. Portland General Electric (PGE) reported outages throughout its service area, with a peak early Monday of about 17,000 customer outages. By 9:00 AM PST this morning, the utility had restored power to all but 37 of its customers affected by the winds. Pacific Power also reported widespread power outages, across southwestern Oregon, with a peak of weather-related outages at 11,265 customers. As of 8:30 AM PST this morning, the utility had restored power to all its customers affected by the weather.

<http://www.koinlocal6.com/mostpopular/story/High-winds-leave-many-Oregonians-without-power/Q7zROTTvI0Kbc8VOS5ToIQ.csp>

<http://www.katu.com/news/local/Winter-returns-Wind-rain-low-elevation-snow-on-tap-142340015.html>

http://theworldlink.com/news/local/more-than-without-power/article_439bd4de-6cf0-11e1-92b9-0019bb2963f4.html

http://www.portlandgeneral.com/safety_outages/outages/outage_updates/outage_list.aspx

<http://www.pacificpower.net/ed/po/ooi.html>

<http://www.pacificpower.net/ed/po/woi.html>

NRC Says June 2011 Fire at 482 MW Fort Calhoun Nuclear Plant in Nebraska Represented a Serious Safety Threat

The U.S. Nuclear Regulatory Commission (NRC) has said a June 2011 fire that briefly knocked out the cooling system for used fuel at the idled Fort Calhoun nuclear power plant represented a serious safety threat, according to a preliminary report obtained by the Associated Press before its official release. The fire started in an electrical breaker that Omaha Public Power District (OPPD) modified to fit existing switches, but the breaker didn't line up properly. Grease accumulated on the ill-fitting components, which led to a fire. Smoke and soot from the fire spread into the plant's backup electrical system and knocked that out as well. The plant was shut for refueling and repairs at the time of the fire. The commission said it considers the fire a major concern because it could have happened at any time, and because workers didn't fully investigate an unusual smell in the area three days earlier. Doing so could have led them to discover the problem and prevent the fire. OPPD has replaced the faulty breaker and successfully tested a new breaker last week. OPPD hopes to restart the plant this spring, pending NRC approval of all repairs.

<http://galvestondailynews.com/ap/f8775c/>

Update: Terra-Gen's 150 MW Alta Wind Energy Center Unit 1 and 168 MW Alta Wind Unit 5 in California Return to Service by March 12

The units returned from an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201203121515.html>

Petroleum

Sunoco Outlines Plans to Develop Its Eagle Point Terminal in New Jersey to Ensure Reliability of Supply in U.S. Northeast after Refinery Closures

Sunoco announced in a press release Friday its plans to expand its Eagle Point Terminal in Westville, New Jersey, to help maintain adequate storage and logistical capabilities to handle and move petroleum products throughout the U.S. Northeast and Midwest, despite the sale or idling of its Marcus Hook and Philadelphia refineries. These plans include returning two million barrels of additional storage capacity to service; improving its ability to handle large vessels at the deepwater marine docks; upgrading its ability to handle railcar offloading; installing pipeline connectivity between Eagle Point and the Colonial Pipeline, Laurel Pipeline, and Harbor Pipeline systems, which supply Northeast markets; and developing plans to reverse pipelines to feed the Belmont Terminal in Philadelphia. The company also has available pipelines that could be reversed to bring product from New York Harbor to the Philadelphia area. In addition, Marcus Hook can receive products via the Delaware River, as well as local refineries, and distribute them through operating pipelines to various markets.

<https://www.piersystem.com/go/doc/3433/1334479/>

Update: Tesoro Increases Planned Bakken Crude Oil Rail Deliveries to Its 120,000 b/d Anacortes, Washington Refinery

Tesoro Corp.'s project to bring Bakken crude oil by rail to its Anacortes refinery will be able to transport 40,000 b/d by 2012, up from previously announced volumes of 30,000 b/d, an executive told reporters Monday. Tesoro aims to cut its use of Alaskan North Slope crude oil while boosting shipments of the less expensive Bakken crude from its gathering system in North Dakota's Bakken shale oil play. The company has ordered about 800 rail cars that can accommodate 40,000 b/d of movement, the executive said. Construction began on the unloading facility within the last month, and once built, it will accommodate every-other-day rail shipments. Depending on how well the system works, the executive said, Tesoro can consider increasing shipments to once a day.

Reuters, 16:24 March 12, 2012

Gas Compressor in CHD Unit Shuts, Leads to Flaring at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery March 12

ExxonMobil Corp. reported a total gas compressor in a catalytic hydrodesulfurization unit (CHD) shut down Monday night at its Joliet refinery, resulting in flaring, according to filings with state and federal regulators. The filings don't specify why the compressor shut. Operators had secured the release at the time of the filings.

Reuters, 04:00 March 13, 2012

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1005535

Tesoro Reports Normal Operations at 93,500 b/d Kapolei, Hawaii Refinery March 12 after Power Outage Last Week

Tesoro Corp. said on Monday its Kapolei refinery was operating normally after an outage caused by a power dip shut a unit on Friday.

Reuters, 12:57 March 12, 2012

Chevron Restarts Alkylation Unit at Its 245,271 b/d Richmond, California Refinery March 11

Chevron Corp. on Sunday restarted an alkylation unit at its Richmond, California refinery, according to the Contra Costa County Hazardous Materials Office. The unit shut last Saturday due to a power outage.

<http://www.reuters.com/article/2012/03/12/refinery-operations-chevron-richmond-idUSH5E8D902520120312?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

BP Restarting Ultraformer at Its 455,790 b/d Texas City, Texas Refinery March 13

BP Plc. reported it was restarting ultraformer No. 3 and resuming its normal operation on Tuesday, according to a filing with the Texas Commission on Environmental Quality. It isn't clear when the unit was taken out of service, although the company reported in an earlier filing it was restarting the same ultraformer earlier this month after routine maintenance. Flaring and emissions associated with the startup may last through March 16, the filing said. DJN, 11:16 March 13, 2012

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=165917>

ExxonMobil Confirms No Fire at Its 572,500 b/d Baytown, Texas Refinery, Contrary to Rumors among Energy Traders

<http://www.reuters.com/article/2012/03/12/refinery-operations-exxon-baytown-idUSWNAB185720120312?feedType=RSS&feedName=rbssEnergyNews&rpc=43>

Shell Reports Faulty Instruments, Flaring at Motiva's 236,400 b/d Norco, Louisiana Refinery March 12

Shell Oil Co. reported emissions Monday morning due to faulty instruments at a process gas compressor unit at Motiva Enterprises' Norco, Louisiana refinery, according to a filing with the U.S. National Response Center. Operators were working on the instrument and had not secured the release at the time of the filing.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1005427

Anadarko Achieves First Oil at Its Gulf of Mexico Caesar/Tonga Development; Expects Production to Ramp Up to 45,000 BOE/d

Anadarko Petroleum Corp., as operator, today announced first production at the Caesar/Tonga development in the Green Canyon area of the deepwater Gulf of Mexico. Production from Caesar/Tonga, with an estimated resource base of 200 to 400 million barrels of oil equivalent (BOE), is expected to ramp up to approximately 45,000 BOE/d from the first three subsea wells. A fourth development well is expected to be drilled and completed later this year, as part of the planned Phase I development. Anadarko operates the Caesar/Tonga development with a partial working interest; other companies with working interest in the development include Statoil Gulf of Mexico LLC, Shell Offshore Inc., and Chevron U.S.A. Inc.

<http://www.anadarko.com/Investor/Pages/NewsReleases/NewsReleases.aspx?release-id=1671817>

Natural Gas

Nothing to report

Other News

Nothing to report

International News

First Tanker Leaves Iraq's New 900,000 b/d Floating Terminal Offshore Basra Carrying 2 Million-Barrel Cargo for Delivery in North America March 13

The first tanker left a new floating oil terminal off the coast of southern Iraq on Tuesday carrying two million barrels for delivery in North America, two sources at Iraq's South Oil Company said. The Maersk Hirado began filling from the recently launched single-point mooring terminal on Thursday. The terminal is one of four planned 900,000 b/d single-point moorings intended to help Iraq double its oil production in the next few years. For now, the first platform will export 300,000 b/d of oil

<http://www.reuters.com/article/2012/03/13/idUSL5E8ED88Q20120313>

Energy Prices

U.S. Oil and Gas Prices			
March 13, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	106.58	104.77	101.40
NATURAL GAS Henry Hub \$/Million Btu	2.17	2.31	3.78

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 EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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