



# ENERGY ASSURANCE DAILY

Friday Evening, March 27, 2015

## *Electricity*

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### **Update: Power Restoration Nearly Complete March 27 after Thunderstorms Hit Oklahoma March 25**

Severe thunderstorms, bringing high winds, hail, and tornadoes, knocked out power to 77,600 customers in central Oklahoma on Wednesday. As of noon CDT today, all 37,500 Public Service Company of Oklahoma (PSO) customers who lost power were restored. Oklahoma Gas and Electric (OG&E) reported 962 customers remained without power as of 2:30 p.m. CDT today, down from a peak of 36,000. OG&E said all customers who can take power will be back on by late Saturday afternoon. The company said most would be back on today and a few isolated cases would extend through Sunday.

[https://oge.com/wps/portal/SignIn!/ut/p/a1/04\\_Sj9CPykssy0xPLMnMz0vM](https://oge.com/wps/portal/SignIn!/ut/p/a1/04_Sj9CPykssy0xPLMnMz0vM)

<https://www.psoklahoma.com/outages/details.aspx?stormName=March+25+Severe+Thunderstorms>

<https://twitter.com/OGandE>

### **Update: Exelon's 619 MW Oyster Creek Nuclear Unit in New Jersey Restarts, Ramps Up to 20 Percent by March 27**

The unit experienced a reactor scram from full power on March 22 due to an Average Power Range Monitoring (APRM) hi signal.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150323en.html>

### **Update: FPL's 565 MW Duane Arnold Nuclear Unit in Iowa Ramps Up to 99 Percent by March 27**

On the morning of March 26 the unit was operating at 77 percent, reduced from full power by March 25.

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

### **Update: Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois at Full Power by March 27**

On the morning of March 26 the unit was operating at 86 percent, reduced from full power by March 25.

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

### **PCWA's 218 MW Middle Fork and Ralston Hydro Unit in California Shut by March 26**

The unit entered a planned and unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201503261515.html>

### **PCWA's 176 MW Colgate Hydro Unit 2 in California Shut by March 26**

The unit entered a planned and unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201503261515.html>

### **Update: Calpine's 135 MW American Cogen Gas-fired Unit in California Returns to Service by March 26**

The unit returned from an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201503261515.html>

## **NRG Energy Awaits Clearance to Convert Its 435 MW Dunkirk Coal-fired Power Plant in New York to Run on Natural Gas**

NRG Energy Inc. said it was waiting for New York State Department of Environmental Conservation (DEC) to resolve any public comments about air quality issues that may be linked to NRG's plan to convert its Dunkirk coal-fired power plant to burn natural gas. A 30-day public comment period to address potential emissions from such a conversion on a draft air permit ended on March 20. NRG will work with the DEC to resolve any comments necessary and would then look to the DEC to issue the final permit. The conversion is expected to be completed later this year.

<http://www.bizjournals.com/buffalo/news/2015/03/26/nrg-awaits-clearance-for-dunkirk-plant-conversion.html?ana=yahoo>

## ***Petroleum***

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### **HollyFrontier Says Its 155,300 b/d Tulsa, Oklahoma Refinery Returning to Normal Operations March 26 after Power Snag Due to Severe Thunderstorms March 25**

HollyFrontier Corp said it experienced "an extreme weather event" on Wednesday evening that interrupted external power to its Tulsa, Oklahoma refinery. HollyFrontier said power was been fully restored to the refinery and it was progressing in returning the refinery to normal operations  
Reuters, 16:02 March 26, 2015

### **Update: USW Approves Contract at Tesoro's 166,000 b/d Martinez, California Refinery March 25; Refinery to Restart March 27**

Striking workers at Tesoro Corp's Martinez, California, refinery ratified a new contract, ending a 52-day strike at that plant, the United Steelworkers (USW) union said on Wednesday. Tesoro's refinery was the only one shut by the strike as it was already undergoing maintenance when the strike started. The company said it anticipates restarting the refinery on Friday, according to a filing with Contra Costa Health Services. The company expects the sequenced start-up of the refinery to take about two weeks and during this period there might be flaring at the facility, the filing said. USW members at the Martinez refinery were the last of three Tesoro groups to approve the contract based on a tentative national agreement reached between the union and U.S. refinery owners on March 12.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=47030](http://www.downstreamtoday.com/news/article.aspx?a_id=47030)

Reuters, 19:34 March 26, 2015

### **Motiva to Integrate Its Norco and Convent Refineries to Create Louisiana Refining System; SemGroup Corp to Build Maurepas Pipeline System to Support Project**

Motiva Enterprises LLC on Thursday announced plans to integrate the company's 235,000 b/d Norco and 230,000 b/d Convent refineries in Louisiana to create the Louisiana Refining System. The Maurepas pipeline system is the first step in the Louisiana integration project. This system is comprised of three pipelines that will be built, owned and operated by affiliates of SemGroup Corporation. The Maurepas crude pipeline will connect the existing LOCAP terminal in St. James, Louisiana to the Norco refinery via a 24-inch, 34-mile pipeline, greatly improving access to advantaged domestic crude oil. The Maurepas 12-inch, 35-mile and the 6-inch, 34-mile intermediates pipelines will directly connect the Norco and Convent refineries supporting optimization of both plants' conversion units while improving logistics efficiency, alleviating dock congestion and allowing additional product exports. When the pipelines are complete, in the fourth quarter of 2016, Motiva plans to idle the fluid catalytic cracker (FCC) at its Convent refinery. Additionally, the company intends to reconfigure the existing hydrocracker unit at its Norco refinery to process 30,000 b/d of additional gas oil into high quality diesel.

<https://www.motivaenterprises.com/media-center/2015/motiva-integrates-refineries-to-create-louisiana-refining-system.html>

<http://www.sn1.com/irweblinkx/file.aspx?iid=4135511&fid=28598249>

<https://www.motivaenterprises.com/terminals.html>

### **Shell Moves Oil Rigs to Alaska Ahead of Possible Drilling Permit**

Royal Dutch Shell is moving the drilling rigs Noble Discoverer and Polar Pioneer to Alaska as it awaits approval from the U.S. Interior Secretary to resume drilling activities ahead of the short operations window in the summer. Shell hopes to revive its Arctic drilling program two years after the grounding of a rig in Alaska that led to opposition from environmental groups.

Reuters, 10:02 March 27, 2015

## **Western Canadian Propane Seeks New Outlets after KinderMorgan's 95,000 b/d Cochin Pipeline Repurposed – EIA**

KinderMorgan's Cochin pipeline was removed from propane service in April 2014 and in July was repurposed to ship light petroleum liquids north from Illinois to western Canada. Without this pipeline, western Canadian propane production has been shipped by other existing transport modes or placed into inventory at Canadian storage facilities, a U.S. Energy Information Administration (EIA) report said. Recently, the declining value of western Canadian propane has encouraged the development of projects to provide additional outlets for growing production.

<http://www.eia.gov/todayinenergy/detail.cfm?id=20552>

[http://www.kindermorgan.com/business/products\\_pipelines/cochin.aspx](http://www.kindermorgan.com/business/products_pipelines/cochin.aspx)

## **Canada's Natural Resource Minister Asks National Energy Board for Pipeline Safety Guidelines by 2016**

Canada's Natural Resources Minister asked the National Energy Board (NEB) to deliver up-to-date guidelines for pipeline companies to improve safety and protect the environment by March 31, 2016. The revised guidelines coincide with several major crude oil pipeline expansion projects proposed in Canada by companies such as Kinder Morgan, Enbridge, and TransCanada Corp. The projects face strong opposition from many landowner and environmental groups that have expressed concerns about spills, as well as impacts on climate change from expanded oil and gas development. The NEB could address some of these concerns through a comprehensive study of construction methods, materials, emergency plans, and new technologies available in the pipeline industry.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=47031](http://www.downstreamtoday.com/news/article.aspx?a_id=47031)

## **New Brunswick Bans Fracking, Plans One-Year Study**

Lawmakers in New Brunswick voted on Thursday to prohibit fracking, committing to study the method of extracting oil and gas for one year before reconsidering the ban in 2016. The province's government said it will require five conditions be met before the moratorium is lifted. These include stronger environmental and health regulations, a plan for waste water disposal, consultations with aboriginal groups, a royalty structure, and the establishment of a "social license," which is the approval by local communities and stakeholders. New Brunswick is believed to sit atop one of the thickest shale gas reservoirs in North America.

[http://www.rigzone.com/news/oil\\_gas/a/137866/Canadas\\_New\\_Brunswick\\_Province\\_Bans\\_Fracking\\_Plans\\_Study#sthash.rTK4G6Dt.dpuf](http://www.rigzone.com/news/oil_gas/a/137866/Canadas_New_Brunswick_Province_Bans_Fracking_Plans_Study#sthash.rTK4G6Dt.dpuf)

## ***Natural Gas***

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### **Con Edison Releases Statement on Suspected Gas Explosion, Building Collapse in New York City March 26**

Con Edison said it was working with fire officials and other agencies at the scene of Thursday's explosion and building collapse in the East Village neighborhood in Manhattan, New York City. A total of 19 people were injured in the blast, the Fire Department of New York said. The explosion appeared to be gas-related, Mayor Bill de Blasio said, adding there were no reports of gas leaks beforehand. Earlier Thursday, Con Edison personnel were at the location to evaluate work in connection with a gas service upgrade. The work failed inspection for several reasons, including insufficient spacing for the installation of the meter in the basement.

<http://www.coned.com/newsroom/news/pr20150326.asp>

<https://twitter.com/fdny>

<http://newyork.cbslocal.com/2015/03/26/explosion-collapse-reported-at-east-village-building/>

### **Update: Southern Natural Gas Co Cancels Force Majeure on Its South Main Loop Line in Georgia March 26**

Southern Natural Gas Co on Thursday said it completed repairs and cancelled the force majeure on its south main loop line downstream of Wrens compressor station located in Jefferson County, Georgia. Southern Natural had implemented the force majeure on March 23.

<http://ixsnp.sonetpremier.com/ebbmastertpage/Notices/NoticesAutoTable.aspx?code=SNG&status=Notice&name=Critical%20Notices&sParam1=007&sParam7=36966&sParam11=D&details=Y>

### **Atlas Reports Shutdown, Flaring at Its 200 MMcf/d Driver Gas Plant in Texas March 26**

Atlas reported a process failure due to a malfunction in the Delta-V software that controls the cryogen expander, caused the plant to shut and gas to be diverted to the emergency flare. The Delta-V software license was replaced, correcting the issue and the operators put the plant back online.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=211885>

## Other News

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Nothing to report.

## International News

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### **U.S. Will Work to Ensure Bab el-Mandeb Strait in Red Sea Remains Open Amid Yemen Conflict – U.S. Army General**

The U.S. military will work with Gulf and European partners to ensure the strategic Bab el-Mandeb Strait at the tip of the Red Sea remains open to commerce despite fighting and instability in Yemen, the head of U.S. forces in the region, Army General Lloyd Austin, said on Thursday.

Reuters, 11:17 March 26, 2015

### **Saudi Arabia to Strengthen Security at Borders, Around Oil Facilities as Saudi-led Coalition Bombs Yemen Rebels – State News Agency**

Saudi Arabia plans to strengthen security at its borders and around oil and industrial facilities, state news agency SPA reported on Thursday. The interior minister had stressed “strengthening all security measures on the borders of the kingdom and in all public utilities and around the oil and industrial facilities,” at a meeting to review security developments in Yemen, SPA said. Warplanes from Saudi Arabia and Arab allies struck Shi’ite Muslim rebels fighting to oust Yemen’s president on Thursday. Kuwait said earlier on Thursday it had raised security around its oil facilities inside and outside the country after the military operation in Yemen.

Reuters, 11:45 March 26, 2015

### **Libya’s Oil Output at 622,000 b/d – NOC**

Libya managed to boost oil production to around 622,000 b/d, a report from the state-run National Oil Corp (NOC) of Libya said. Industry sources had last indicated oil output of less than 500,000 b/d. Libya’s current gas production is 2.05 Bcf/d, the report said.

Reuters, 12:20 March 27, 2015

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
March 27, 2015			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	48.78	45.95	101.60
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.73	2.84	4.42

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**

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. ET. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

*Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)*