



ENERGY ASSURANCE DAILY

Monday Evening, April 15, 2013

Electricity

Freezing Rain, High Winds Cut Power to More Than 150,000 Hydro One Customers Across Ontario April 12; More Than 7,400 Remain Without Power April 15

Freezing rain and high winds caused widespread damage to Hydro One's electricity distribution system across Ontario early Friday, cutting power to more than 150,000 of its customers. The utility reported the storm downed power lines and broke more than 300 poles in its aftermath. Friday's restoration efforts were hampered by treacherous driving conditions, and high winds had grounded Hydro One's helicopters, but conditions improved on Saturday. As of 4:00 p.m. EST Monday, Hydro One reported 7,441 of its customers remained without power. More than 1,200 Hydro One staff were working on the restoration effort, including lines staff, forestry technicians, apprentice crews, damage assessors, and support staff. The utility also called in help from other local distribution companies throughout the province to aid in the restoration efforts.

<http://www.hydroone.com/stormcenter/>

http://www.hydroone.com/Documents/NewsReleases2013/04_13_13_Storm_Release_12PM.pdf

http://www.hydroone.com/Documents/NewsReleases2013/04_12_13_Storm_Release_V3.pdf

Entergy Reports Complications During Planned Reactor Shutdown at Its 653 MW Pilgrim Nuclear Unit 1 in Massachusetts April 14

Entergy Nuclear reported that on Sunday, with the Pilgrim Nuclear Power Station turbine generator removed from service, operators manually scrammed the reactor after pressure on the unit lowered beyond established control bands, according to a filing with the U.S. Nuclear Regulatory Commission. At the time of the manual reactor scram, operators were conducting a planned reactor shutdown to commence a refueling outage. All control rods fully inserted and other plant systems performed as designed after the scram. Offsite power was unaffected and was supplied by the start-up transformer, which is the normal source of power during refuel and reactor shutdown operations. Currently, the plant cooldown is continuing with the High Pressure Coolant Injection system in pressure control and reactor water level being maintained within normal bands with the condensate and feedwater system. The cause of the lowering reactor pressure has not been determined and remains under review.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130415en.html>

Constellation's 565 MW Nine Mile Point Nuclear Unit 1 in New York Shut by April 15

On the morning of April 14 the unit was operating at 96 percent.

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

Dominion's 1,130 MW Millstone Nuclear Unit 3 in Connecticut Shut by April 14

On the morning of April 13 the unit was operating at full power.

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

Update: Progress Energy's 710 MW Robinson Nuclear Unit 2 in South Carolina Ramped Up to 78 Percent by April 15

On the morning of April 14 the unit was operating at 53 percent.

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

Brookfield's 102 MW Coram Brodie Wind Unit in California Shut by April 14

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201304141515.html>

Calpine's 593 MW Metcalf Energy Center Natural Gas-fired Unit in California Returns to Service by April 13

The unit returned from an unplanned curtailment of 311 MW that began by April 12.

<http://content.aiso.com/unitstatus/data/unitstatus201304131515.html>

<http://content.aiso.com/unitstatus/data/unitstatus201304121515.html>

Petroleum

Short Circuit at Entergy Substation Cuts Power to Three Port Arthur, Texas Refineries, Causing Numerous Operational Upsets and Emissions April 14

Entergy Corp. reported an apparent short circuit at the Kolbs substation in Port Arthur, Texas around 9:30 a.m. local time Sunday morning cut power to 17,900 of its customers in the area, including local refineries operated by Valero Energy Corp., Motiva Enterprises, and Total Petrochemicals USA Inc. Entergy fully restored power to its affected customers by 1:00 p.m. Sunday. Motiva's 600,000 b/d Port Arthur refinery reported the incident caused a plant-wide power failure and resulted in numerous operational upsets and emissions from an alkylation unit, catalytic reforming units 4 and 5, and delayed coking units 1 and 2, according to a filing with the Texas Commission on Environmental Quality (TCEQ). Energy intelligence service Genscape reported Motiva's 325,000 b/d crude distillation unit was shut, along with a 88,000 b/d fluidic catalytic cracking unit and a 95,000 b/d coker. Operators began restart procedures early on Monday morning, according to sources familiar with operations. Total reported multiple units at its 232,000 b/d Port Arthur refinery experienced operational upsets, causing excess emissions from sulfur recovery units No. 1 and 3, a tail gas thermal oxidizer, and Unit 833, among other flares, and forcing operators to institute emergency shutdown procedures, according to a TCEQ filing. Total said the power failure also caused a fire at one of the refinery's vacuum distillation units; an onsite emergency response team extinguished the fire Sunday. Valero on Monday reported all units at its Port Arthur refinery were in operation except one of two crude units and one of two hydrocracking units, as operators continued restart procedures that had begun Sunday afternoon. A spokesman said it appeared there would be no material impact to production.

Reuters, 11:05 April 15, 2013

<http://panews.com/local/x437163563/Power-out-in-parts-of-PA-refineries-flare>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=181601>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=181586>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=181616>

Plains All American to Build 200,000 b/d Cactus Crude Oil Pipeline from McCamey to Gardendale, Texas

Plains All American Pipeline, L.P. today announced it is constructing the Cactus Pipeline, a new 310-mile, 20-inch crude oil pipeline from McCamey to Gardendale, Texas. The Cactus Pipeline will initially be designed to provide approximately 200,000 b/d of capacity and can be increased as demand warrants. Operators expect to place the line into service in the first quarter of 2015. The pipeline is expected to transport both sweet and sour crude oil from the Permian Basin to the PAA/Enterprise Products Partners Eagle Ford Joint Venture Pipeline, which directly serves the Three Rivers and Corpus Christi markets and can supply the Houston-area market through a connection to the Enterprise South Texas Crude Oil Pipeline. Crude oil delivered on Cactus will have access to rail-loading capacity at PAA's Gardendale station and access to the Eagle Ford JV barge dock facility in the Corpus Christi area.

<http://ir.paalp.com/profiles/investor/ResLibraryView.asp?BzID=789&ResLibraryID=61664&Category=117>

Phillips 66 Reports HCU Leak at Its 362,000 b/d Wood River, Illinois Refinery April 13

Phillips 66 reported a leak of gas oil at a hydrocracker unit (HCU) at its Wood River refinery on Saturday, according to filings with the U.S. National Response Center and the Illinois Emergency Management Agency.

Reuters, 04:10 April 15, 2013

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1043877

Unspecified Breakdown Causes Flaring at Phillip 66's 139,000 b/d Wilmington, California Refinery April 13

Phillips 66 reported unplanned flaring due to a breakdown at its Wilmington refinery Saturday morning, according to a filing with the South Coast Air Quality Management District.

Reuters, 08:50 April 13, 2013

Update: ExxonMobil to Remove Damaged Section of Its 90,000 b/d Pegasus Crude Oil Pipeline in Arkansas April 15

ExxonMobil Corp. reported it will cut and remove a 52-foot section of its damaged Pegasus crude oil pipeline in Arkansas on Monday and transport that portion of the line to an independent third-party laboratory for metallurgy testing. The 90,000 b/d Pegasus pipeline ruptured on March 29, resulting in a 5,000-barrel oil spill in Mayflower, Arkansas. Arkansas State officials reported last week that the rupture was more than 22 feet long and 2 inches wide. The cause of the rupture is under investigation. ExxonMobil has not estimated how long repairs will take or when the line will restart. Meanwhile, the Central Arkansas Water Board of Commissioners on Thursday approved a measure asking ExxonMobil for a plan to move the Pegasus pipeline away from the Lake Maumelle Watershed, the area that drains into the main drinking water supply for hundreds of thousands of people in Little Rock and several other communities. An ExxonMobil official said the company understands the commissioners' concerns but is currently focusing on recovery.

<http://www.reuters.com/article/2013/04/15/exxon-spill-pipeline>

<http://www.reuters.com/article/2013/04/12/exxon-spill>

<http://finance.yahoo.com/news/ark-water-supplier-seeks-plan-122946710.html>

Update: Chevron Report on August 2012 Fire at Its Richmond, California Refinery Says the Company Failed to Properly Inspect All Corrosion-Prone Pipes

Chevron Corp. on Friday released a report on its investigation into the cause of an August 6, 2012 leak that led to a massive fire at its Richmond refinery. The report indicates the company failed to properly document tests of a corroded pipe near the one that failed and caused the fire, and the oversight led to a failure to inspect all corrosion-prone pipes in the same area. Chevron's findings are similar to those of Federal and State investigators, who also found the company had failed to properly inspect the pipe that leaked despite finding corrosion in other pipes nearby. Operators said the company will improve its inspection procedures and that they were inspecting every pipe in the facility.

<http://finance.yahoo.com/news/chevron-finds-failed-inspect-faulty-192613158.html>

NuStar Restarts 12-Inch Crude Oil Pipeline in Texas April 14 after a Spill Forced Shutdown April 12

NuStar Energy L.P. on Monday reported it has restarted a crude oil pipeline in South Texas after a leak of up to 25 barrels forced a shutdown Friday. A 7-mile portion of the 12-inch pipeline that runs from LaSalle County to McMullen County in Texas was isolated and shut on Friday when an aerial patrol saw the leak. Crews restarted the pipeline Sunday morning. An investigation into the root cause of the leak continues, the company said. Reuters, 12:40 April 15, 2013

CVR Reports Flaring Due to Unplanned Repairs at Its 70,000 b/d Wynnewood, Oklahoma Refinery April 13

CVR Energy Inc. reported flaring at its Wynnewood refinery on Saturday was due to unplanned maintenance and repairs, according to a filing with the U.S. National Response Center.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1043858

Western Refining Reports Normal Operations at Its 122,000 b/d El Paso, Texas Refinery After Fuel Gas System Snag April 11

Western Refining Inc. reported its El Paso refinery was operating normally Thursday evening after the fuel gas system became unbalanced and caused operational problems at the facility earlier that day, according to a filing with the Texas Commission on Environmental Quality. The operational upset led to flaring of fuel gas at the refinery.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=181553>

Natural Gas

Regency Reports Emissions after AGI Unit Shuts at Its 290 MMcf/d Waha Gas Plant in Texas April 14

Regency Energy Partners reported an acid gas injector (AGI) compressor at its Waha plant shut down on fourth-stage scrubber level Sunday morning, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=181582>

Eureka Hunter Pipeline Shuts-In Part of Its Pipeline System in West Virginia after Maintenance Operation Results in Flash Fire

Magnum Hunter Resources Corporation on Friday announced that the company's midstream subsidiary, Eureka Hunter Pipeline, LLC, experienced a flash fire yesterday evening at a pig-receiving station in Tyler County, West Virginia. The initial reports indicate that the fire was fueled by natural gas liquids that ignited in tanks during pipeline pigging operations, but was limited to above-ground facilities. The pipeline did not rupture and, according to an initial inspection, was completely unaffected by the fire. The fire was extinguished by local responding fire department personnel. As a safety precaution, a portion of the Eureka Hunter pipeline system was shut-in, which in turn affected approximately 2,170 barrels of oil equivalent per day of production from wells owned and operated by Triad Hunter, a wholly-owned subsidiary of Magnum Hunter, in the region. Operators will resume production at these wells after a safety inspection and upon approval from investigating authorities.

<http://www.b2i.us/ResLibraryID=61645&BzID=1969&Nav=0&LangID=1&s=0&Category=1848>

<http://www.dailymail.com/News/statenews/201304140037>

ONEOK Partners Announces Completion of Bakken NGL Pipeline, Stateline II Natural Gas Processing Facility, and Mont Belvieu Ethane Pipeline

ONEOK Partners, L.P. on Thursday announced the completion of three projects that are part of its previously announced growth program through 2015, including the Bakken NGL Pipeline, Stateline II plant, and Mont Belvieu ethane pipeline. The 60,000 b/d Bakken NGL Pipeline, which transports unfractionated natural gas liquids (NGLs) from the Bakken Shale and Three Forks formations in the Williston Basin to the partnership's 50 percent-owned Overland Pass Pipeline, a 760-mile NGL pipeline extending from southern Wyoming to Conway, Kansas. The partnership previously announced plans to increase capacity on this line to 135,000 b/d by the third quarter of 2014. The 100 MMcf/d Stateline II natural gas processing facility in western Williams County, North Dakota. The Stateline II plant is the third new natural gas processing facility that ONEOK Partners has completed in the Williston Basin since late 2011, joining the 100 MMcf/d Garden Creek and 100 MMcf/d Stateline I plants, which are currently also in operation. The partnership previously announced it is building two additional 100 MMcf/d plants, Garden Creek II and III, in eastern McKenzie, North Dakota, and expects those to be in service in the third quarter 2014 and the first quarter 2015, respectively. A 12-inch, 400,000 b/d ethane header pipeline that creates a new point of interconnection between the partnership's Mont Belvieu, Texas NGL fractionation assets and several petrochemical customers.

http://ir.oneokpartners.com/phoenix.zhtml?c=104562&p=irol-newsArticle_Print&ID=1804903

Williams Partners, Shell Create Three Rivers Midstream Joint Venture to Provide Natural Gas Gathering and Processing Services in Northwest Pennsylvania

Williams Partners L.P. on Thursday announced that it has agreed to launch a new midstream joint venture with Shell to provide gas gathering and gas processing services for production located in Northwest Pennsylvania. The new venture, Three Rivers Midstream, will invest in both wet-gas handling infrastructure and dry gas infrastructure serving Marcellus and Utica Shale wells in the area. Three Rivers plans to construct a 200 MMcf/d cryogenic gas processing plant and related facilities for service by the second quarter of 2015. The location will be determined at a later date. The system is expected to be connected to two major proposed developments in Pennsylvania—Shell's proposed ethylene cracker (feasibility still being studied) in Beaver County and the proposed Williams-Boardwalk joint venture to develop the Bluegrass Pipeline system that would deliver Marcellus and Utica liquids to the Gulf Coast and export markets. The proposed Bluegrass pipeline is targeting a late 2015 in-service date.

<http://www.b2i.us/profiles/investor/NewsPrint.asp?b=630&ID=61620&m=rl&pop=1&cat=1799&G=343>

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
April 15, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	88.92	92.84	103.00
NATURAL GAS Henry Hub \$/Million Btu	4.21	3.98	1.87

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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