



# ENERGY ASSURANCE DAILY

Wednesday Evening, May 10, 2017

## ***Electricity***

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### **Update: TVA's 1,125 MW Watts Bar Nuclear Unit 1 in Tennessee Restarts, Ramps Up to 25 Percent by May 9**

The unit shut from 15 percent due to a failed reactor coolant pump power transfer.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2017/>

<https://www.nrc.gov/reading-rm/doc-collections/event-status/event/2017/20170503en.html>

### **Update: Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi at Full Power by May 9**

On the morning of May 8 the unit was operating at 85 percent, reduced from full power on May 7.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2017/>

### **El Segundo Energy Center's 264 MW Natural Gas Unit 7/8 in California Shut by May 8**

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201705081515.html>

### **City of Anaheim's 236 MW Intermountain Coal Unit in California Reduced by May 8**

The unit entered an unplanned curtailment of 121 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201705081515.html>

### **PJM Reports Enough Power to Meet Anticipated Peak Demand for Summer 2017**

Transmission grid operator PJM Interconnection on May 8 said it has enough power to meet anticipated peak demand for the region's 65 million consumers. As part of its annual summer assessment, PJM planners and operators predict that hot summer weather is expected to drive electricity use to a peak of 153,000 MW. Last summer, demand peaked at 151,907 MW on August 11, the first time PJM met a peak need of more than 150,000 MW without invoking emergency actions. The highest use of power in PJM was nearly 166,000 MW in 2006. PJM has 185,804 MW of installed generating capacity available. If needed, it also may draw upon more than 9,120 MW of demand response resources—customers who are willing to curb their usage on request during peak times. PJM serves all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia.

<http://insidelines.pjm.com/pjm-releases-summer-reliability-assessment/>

### **Avangrid, Vineyard Wind Announce Plan to Develop Large Scale Wind Energy Project Offshore Massachusetts**

Avangrid Renewables and Vineyard Wind on Tuesday announced that they have formed a strategic partnership to jointly develop a large scale wind energy project off the coast of Massachusetts. Last summer, Massachusetts required utilities to procure 1,600 MW of clean, offshore wind energy within the next decade. Vineyard Wind plans to begin construction of its project, about 15 miles south of Martha's Vineyard, in early 2020.

<http://www.businesswire.com/news/home/20170509005920/en/AVANGRID-Acquires-Major-Stake-Massachusetts-Off-Shore-Wind>

### **Mississippi River Flooding Not Expected to Impact Valero's 190,000 b/d Memphis, Tennessee Refinery – Sources**

Valero Energy Corp's Memphis, Tennessee refinery was not expected to be affected by the rising Mississippi River, sources familiar with plant operations said on Monday evening. The river is expected to rise above flood stage of 34 feet by Tuesday at Memphis and reach 36.5 feet by May 13. The flood waters have been slowly moving down tributaries into the Mississippi River since heavy rains in late April.

Reuters, 17:55 May 8, 2017

### **Update: Valero Boosts FCCU Production at Its 335,000 b/d Port Arthur, Texas Refinery May 9 – Sources**

Valero Energy Corp boosted production overnight on the fluidic catalytic cracking unit (FCCU) at its Port Arthur, Texas refinery, sources familiar with plant operations said on Tuesday. Production on the FCCU was running at about 85 percent of its 75,000 b/d capacity on Tuesday morning after repairs were made to the wet gas compressor on the unit, the sources said. Valero has been boosting the production level on the unit since restarting it on May 5 after repairing a leaking slide valve. The FCCU will not be able to reach full production if the wet gas compressor cannot be fixed, the sources said.

Reuters, 9:05 May 9, 2017

### **Flint Hills Reports HCU Shut after Upset at Its 295,630 b/d Corpus Christi, Texas Refinery May 8**

Flint Hills reported a controlled emergency shutdown of the hydrocracker unit (HCU) due to an upset at the West plant of its Corpus Christi, Texas refinery on May 8, according to a filing with the Texas Commission on Environmental Quality. Flint Hills said feed was pulled from the hydrocracker unit and the unit was vented to the flare gas recovery unit during the controlled emergency shutdown.

Reuters, 11:49 May 9, 2017

### **Total Reports Sulfur Emissions from Its 225,000 b/d Port Arthur, Texas Refinery May 9**

Total SA reported sulfur emissions from unit 871 at its Port Arthur, Texas refinery due to an indeterminate cause, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 15:10 May 9, 2017

### **Petrobras Intends to Sell Its 112,229 b/d Pasadena, Texas Refinery for \$200 Million – Sources**

Brazilian state-controlled oil company Petroleo Brasileiro SA (Petrobras) said it intends to sell its Pasadena, Texas refinery for less than \$200 million, Bloomberg News reported on Tuesday, citing two sources. Petrobras acquired the refinery for \$1.2 billion—paid in two installments in 2006 and 2012. The acquisition is being investigated by federal prosecutors, who say the refinery cost many times what it was worth and that bribes may have been paid as part of the purchase. Environmental liabilities also reduced the value of the refinery, according to the sources cited by Bloomberg. Petrobras plans to divest up to \$21 billion in assets by the end of 2018 as it tries to cut debt and focus on core activities.

Reuters, 9:44 May 9, 2017

### **Update: Fines Issues to Valero's 145,000 b/d Benicia, California Refinery May 9 after Flaring, Smoke Release May 5**

The Bay Area Air Quality Management District on Monday issued Valero's Benicia, California refinery with four violations of regional air pollution rules for flaring and smoke release related to a Pacific Gas & Electric (PG&E) power outage on May 5. The violations include one for causing a public nuisance and three for releasing excessive smoke. Valero reported its refinery lost power for about 18 minutes on Friday morning, resulting in flaring and the release of large plumes of smoke. As a precautionary measure, a nearby office park was evacuated and a shelter-in-place was issued for several hours.

<http://www.mercurynews.com/2017/05/08/cct-valerofine-0509/>

<http://www.baaqmd.gov/~media/files/communications-and-outreach/publications/news-releases/2017/2017-044-valeroflare-050517-pdf.pdf?la=en>

## **Alaska North Slope Jones Act Tanker Set to Retire in June – Sources**

The Alaskan Frontier, a Suezmax tanker typically used to transport Alaskan North Slope crude to West Coast refineries, is scheduled to retire, according to vessel operator Alaska Tanker Company. The U.S.-flagged vessel complies with the Jones Act, a maritime law that requires shipments between U.S. ports to take place on U.S.-built and manned vessels. A source said the ship would be retired in June, but the company did not confirm the timing. Reuters, 17:45 May 8, 2017

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## **Natural Gas**

### **Enable Declares Force Majeure Due to Unplanned Work at Its Fountain Hill Compressor Station in Arkansas May 9**

Enable Mississippi River Transmission (EMRT) declared force majeure due to unplanned work at its Fountain Hill Compressor Station located in Ashley County, Arkansas, effective gas day May 10. The operator has initiated repairs on the compressor station and estimates a completion date of September 30. During this period, EMRT said it may have limited ability to schedule or allocate southbound delivery service to points located south of the Glendale compressor station. EMRT has also issued a “System Protection Warning” that will remain in effect until further notice.

Reuters, 7:48 May 9, 2017

### **Ohio EPA Fines Energy Transfer for Water, Air Violations May 9**

The Ohio Environmental Protection Agency (EPA) issued a \$430,000 fine against Energy Transfer a company for water and air pollution violations related to construction of the Rover natural gas pipeline from West Virginia to Michigan. Work on the pipeline since March has resulted in 18 incidents involving mud spills from drilling, storm water pollution, and open burning, the Ohio EPA said. A company spokesman said a small number of inadvertent releases of ‘drilling mud’ aren’t unusual during drilling operations. He added that the company doesn’t think there has been any impact to the environment.

<http://powersource.post-gazette.com/powersource/latest-oil-and-gas/2017/05/09/Ohio-fines-pipeline-builder-over-water-air-violations-1/stories/201705090116>

<http://www.dispatch.com/news/20170508/ohio-epa-orders-rover-pipeline-builder-to-pay-431000-for-violations>

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## **Other News**

### **Tunnel Collapses at Hanford Nuclear Waste Plant in Washington May 9; No Radiation Released**

A tunnel used for storing contaminated radioactive materials partially collapsed on Tuesday morning in a plutonium-handling facility at the Department of Energy’s (DOE’s) Hanford Nuclear Reservation in southeastern Washington. Federal officials said about a 20-foot section of the tunnel’s roof collapsed, but there was no indication workers or the public were exposed to radiation. Responders were on the scene testing for radiation and assessing the soil subsidence in an approximate 400 square foot area over one of the tunnels located next to the Plutonium Uranium Extraction Facility, also known as PUREX. There are two tunnels to the PUREX facility that are located on the east side and extend south. One tunnel is approximately 360 feet long, while the other is about 1,700 feet. The 20 foot wide by 20 foot long cave-in area is located at a point where the two tunnels join together. DOE officials said that Secretary Rick Perry has been briefed on the incident, and that no spent nuclear fuel is stored in the tunnel. The Hanford site is located in southeastern Washington along the Columbia River. It was established in the 1940s to manufacture plutonium used in the first nuclear bomb as well as other nuclear weapons, and is now being dismantled and cleaned up by DOE.

Reuters, 15:53 May 9, 2017

<http://www.hanford.gov/c.cfm/eoc/?page=290>

## International News

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### Shell Testing Nigeria's Forcados Oil Export Pipeline for Restart May 9 – Source

Shell was testing Nigeria's Trans Forcados crude export pipeline for a potential restart, sources told Reuters on Tuesday. The pipeline, which delivers oil to the Forcados loading terminal for export, has been mostly shut since it was bombed by militants in February 2016. After repairs, exports briefly resumed in October until a new attack forced another shutdown in early November. Before the attacks, the Forcados stream accounted for 200,000–240,000 b/d of Nigerian Exports. The sources added that the Astro Perseus tanker is expected to receive the first export cargo by the weekend.

<http://af.reuters.com/article/commoditiesNews/idAFL8N1IB2NZ>

## Energy Prices

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U.S. Oil and Gas Prices			
May 10, 2017			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	45.84	47.65	43.40
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	3.03	3.17	1.87
\$/Million Btu			

Source: Reuters

## Links

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***This Week in Petroleum*** from the U.S. Energy Information Administration (EIA)

<https://www.eia.gov/petroleum/weekly/>

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

<https://www.eia.gov/naturalgas/weekly/>

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](mailto:ead@oe.netl.doe.gov)