ENERGY ASSURANCE DAILY

Monday Evening, May 14, 2012

Electricity

Overnight Thunderstorms, High Winds Cut Power to nearly 38,000 Utility Customers in Texas May 10–11

Thunderstorms swept through parts of Texas overnight last Thursday, knocking out power to nearly 24,000 AEP Texas customers in northwest Corpus Christi at the height of the storm as high winds damaged power lines and transformers throughout the area, according to local reports. Overnight storms cut power in other parts of the state, as well, including 9,000 CenterPoint Energy customers, 3,000 Austin Energy customers, and nearly 1,900 Oncor customers in Dallas-Fort Worth, Central Texas, and Midland-Odessa, reports said.
http://www.recordstar.com/news/article_0696e500-9b95-11e1-a642-0019bb2963f4.html
http://www.kristv.com/news/thousands-still-without-power-after-storm/
http://lubbockonline.com/texas/2012-05-12/texas-and-region

AES Restarts Its 225 MW Huntington Beach Natural Gas-Fired Unit 3 and 215 MW Unit 4 in California May 11 to Replace Lost Generation from San Onofre Nuclear Power Station

AES Corp. has restarted Huntington Beach Units 3 and 4, which were previously retired, to help the California Independent System Operator (ISO) replace lost generation from the San Onofre nuclear station, the ISO reported Friday. The California ISO has been working to assure adequate power resources to meet demand in Southern California should the ongoing shutdown of both San Onofre nuclear reactors continue. Southern California Edison, which operates the San Onofre nuclear power plant, has kept both units offline since January to test and inspect steam generators, which have been flagged for unusual tube degradations. The ISO said Friday that the likelihood of rolling blackouts this summer is low, but extreme weather or other power plant or transmission-related problems could occur.
http://content.caiso.com/unitstatus/data/unitstatus201205111515.html
http://www.reuters.com/article/2012/05/11/utilities-california-aes-idUSL1E8SBBRL20120511?feedType=RSS&feedName=rbssFinancialServicesAndRealEstateNews&rpc=43

Update: 7,000 MW Atlantic Wind Connection Offshore Wind Transmission Project Announces Major Milestone with Department of Interior Action

The U.S. Department of Interior today announced there is no competitive interest for the use of certain areas of the U.S. Outer Continental Shelf (OCS) to construct an offshore transmission system proposed by the Atlantic Wind Connection (AWC). This decision allows the project to move forward in its permitting process. The AWC project will be built in several phases designed to link Offshore Wind Energy Areas identified by the Department of Interior. The project configuration will enable up to 7,000 MW of offshore wind turbine capacity to be integrated into the regional power grid operated by PJM. This will increase system reliability in the corridor between Washington, DC and the metropolitan New Jersey/New York City area. This high-voltage, direct-current subsea backbone transmission system will be constructed 12 to 15 miles off the coasts of New York, New Jersey, Delaware, Maryland, and Virginia, spanning approximately 300 miles. Construction is expected to take approximately 10 years.
http://www.atlanticwindconnection.com/ferc/May2012/Another%20Step%20with%20Interior%20Action%20-%20FINAL.pdf

NRC Prioritizes Industry Responses to Request for Post-Fukushima Flood Hazard Evaluations

The U.S. Nuclear Regulatory Commission (NRC) has updated part of its March 12 request for information from all U.S. nuclear power plants, setting out a schedule for completing flooding hazard re-evaluations recommended by the NRC's Near-Term Task Force, which examined lessons learned from the Fukushima Dai'ichi nuclear accident. U.S. plant operators have demonstrated they are capable of safely handling the most likely floods at their sites; these re-evaluations are meant to help the commission better understand the very unlikely flooding that could occur in the future, according to an NRC official. The prioritization schedule gives plants 1, 2, or 3 years to complete the hazard evaluations. The evaluation results could lead to further assessment of potential flooding effects at the plants.
http://pbadupws.nrc.gov/docs/ML1205/ML12053A340.pdf
http://www.nrc.gov/reading-rm/doc-collections/news/2012/12-055.pdf

Update: FPL's 839 MW Saint Lucie Nuclear Unit 2 in Florida Restarts May 13, Ramps up to Full Power by May 14 after Feedwater Control Valve Failure May 11

Florida Power & Light (FPL) on Friday manually tripped Saint Lucie nuclear Unit 2 after a failure of the high power feed regulating valve resulted in S/G water level lowering, according to a filing with the U.S. Nuclear Regulatory Commission. Unit 2 restarted Sunday and ramped up to full power by Monday. Unit 1 was unaffected and remained in Mode 1 at 29 percent power.
http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/
http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20120514en.html

Update: Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Reduced to 72 Percent by May 14

River Bend nuclear Unit 1 restarted May 9, ramped up to 93 percent by May 12, and then reduced to 83 percent by May 13.
http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/

High Water Wall Temperature Shuts Luminant's Monticello 593 MW Coal-Fired Unit 2 in Texas May 12

Luminant reported Unit 2 tripped Saturday evening due to a high water wall temperature signal, according to a filing with the Texas Commission on Environmental Quality. Operators restarted the unit within two hours.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168370

Update: Entergy's 510 MW Vermont Yankee Nuclear Unit in Vermont Ramped Up to 99 Percent by May 12

On the morning of May 11 the unit was operating at 68 percent.
http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/

AES's 175 MW Alamitos Natural Gas-Fired Unit 1 in California Shut by May 13

The unit entered an unplanned outage.
http://content.caiso.com/unitstatus/data/unitstatus201205131515.html

Update: GenOn's 245 MW Coolwater Natural Gas-Fired Unit 3 in California Returns to Service by May 11

The unit returned from an unplanned curtailment of 120 MW.
http://content.caiso.com/unitstatus/data/unitstatus201205111515.html

Petroleum

Update: Sunoco Expected to Restart Fire-Damaged CDU at Its 335,000 b/d Philadelphia, Pennsylvania Refinery May 10 after Repairs – Source

Sunoco Inc. expected to restart a crude distillation unit (CDU) at its Philadelphia refinery May 10 as they completed repairs following a brief fire last Wednesday, a person familiar with operations at the plant said Monday. The May 9 fire in the Girard Point section of the facility lasted only 10 minutes and caused only light damage to the unit, the person said.
DJN, 10:13 May 14, 2012

Power Loss Shuts Boilers, Causes FCCU Shutdown, Flaring at Pasadena Refining's 100,000 b/d Pasadena, Texas Refinery May 12

Pasadena Refining System Inc. reported a power loss Saturday shut Boilers Nos. 4 and 6, which cut steam to the fluid catalytic cracking unit (FCCU) and caused it to shut down, according to a filing with the Texas Commission on Environmental Quality. Operators were repairing the power system at the time of the filing. The refinery also reported an unspecified boiler shutdown was causing flaring Saturday afternoon, according to a filing with the U.S. National Response Center. Operators shut the unit, the filing said.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168372
http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1011361

Process Upset Causes FCCU Emissions at Phillips 66's 146,000 b/d Borger, Texas Refinery May 13

Phillips 66 reported a process upset Sunday morning led to emissions from a fluid catalytic cracking unit (FCCU) at its joint-venture Borger refinery, 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=168376

Power Blip Causes Flaring, Emissions at Phillips 66's 247,000 b/d Sweeny, Texas Refinery May 12

Phillips 66 reported its Sweeny refinery was working to restore normal operations after a power interruption Saturday afternoon caused flaring and emissions, according to a filing with the Texas Commission on Environmental Quality. The filing specifies the regenerative thermal oxidizer tank and coker flare, in addition to several unidentified units, as sources of emissions.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168374

Coker Wet Gas Compressor Trips, Leads to Ongoing Emissions at ExxonMobil's 344,500 b/d Beaumont, Texas Refinery May 11

ExxonMobil reported a coker wet gas compressor tripped at its Beaumont refinery Friday morning and was still offline as of Sunday morning, according to filings with the U.S. National Response Center and the Texas Commission on Environmental Quality. On Sunday, the refinery reported emissions due to two compressors that tripped. Operators routed process streams to flares to minimize emissions and were working to restore normal operations as soon as possible. The refinery reported a hydrocracker recycle compressor tripped Thursday. Operators shut the unit and were investigating the cause of the compressor trip at the time of the filing.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168362
http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1011278
http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1011341

Heater Outlet Valve Catches Fire, Shuts Unit at Motiva's 285,000 b/d Port Arthur, Texas Refinery May 12

Motiva Enterprises reported an R2 heater outlet check valve caught fire at its Port Arthur refinery Saturday, forcing operators to shut and depressurize the unit, according to a filing with state regulators. The plant's emergency response team extinguished the fire. The lube hydrocracking unit is listed in the filing as source of emissions.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168366

Unplanned Flange Repairs Cause Emissions at CVR Energy's 70,000 b/d Wynnewood, Oklahoma Refinery May 11

CVR Energy reported unplanned repairs to a flange at its Wynnewood refinery caused emissions Friday, according to a filing with the U.S. National Response Center. Operators had to shut and depressurize the unit to fix a leak near the heater, the filing said.
http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1011219

Update: BP Reports Ongoing Sulfur Dioxide Emissions at Its 225,000 b/d Cherry Point, Washington Refinery May 13

BP Plc reported ongoing emissions of sulfur dioxide at its Cherry Point refinery, according to a filing with the U.S. National Response Center (NRC). The release has been ongoing since May 8, when the refinery first filed with the NRC, reporting an ongoing release from the No. 2 tail gas unit absorber due to a chain reaction from shutting the crude unit the day before. Operators had stopped restarting the central crude distillation unit (CDU) because of problems during its return to service, sources said. The unit has been shut for repairs since February 17 when it was damaged by a fire.
http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1011364

Natural Gas

Regency Announces Expansion of Gathering and Treating Assets in the Eagle Ford Shale in South Texas

Regency Energy Partners LP announced today it will construct an expansion of its Edwards Lime Gathering Joint Venture ("Edwards Lime") in the Eagle Ford Shale in South Texas. The Edwards Lime Expansion will increase the system's capacity by 90 MMcf/d to 160 MMcf/d, and it will provide for additional crude transportation and stabilization capacity of 17,000 b/d. The project is expected to be complete in the fourth quarter of 2012.
http://phx.corporate-ir.net/phoenix.zhtml?c=194063&p=irol-newsArticle&ID=1695385

Upset Shuts MEA Treater at Targa's 150 MMcf/d Sand Hills Gas Plant in Texas May 12

Targa reported an upset in the MEA Treater Saturday morning at the Sand Hills plant forced operators to shut the system to protect equipment, according to a filing with the Texas Commission on Environmental Quality. Operators were troubleshooting the upset at the time of the filing.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168369

Power Outage Shuts AGI Units at Enbridge's Tilden Gas Plant in Texas May 11

Enbridge reported a power outage Friday night shut acid gas injector (AGI) Units 1 and 2 at its Tilden gas plant, according to filing with state regulators.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168365

Cool Weather Causes Problems with Amine Treater, Forces DCP Midstream to Flare Gas at Its 85 MMcf/d Roberts Ranch Gas Plant in Texas May 11

DCP Midstream reported that cool weather late last week led to cold amine circulation, which prevented the amine treater from removing sufficient quantities of hydrogen sulfide (H2S) from the natural gas, according to a filing with state regulators. As a result, the El Paso sales valve was shut, forcing the plant to flare natural gas. Once the amine circulation warmed up, the treater began to remove sufficient quantities of H2S, and the El Paso sales valve opened. This stopped the flaring of natural gas.
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=168342

Other News

Update: Analysts Find Similarities between Recent Cyberattacks on Natural Gas Pipeline Sector and March 2011 RSA Hack

Two independent analyses have found similarities between an active series of cyber intrusions targeting natural gas pipeline sector companies in the United States and a 2011 cyberattack on RSA Inc., a cybersecurity company, according to a report from the *Christian Science Monitor*. Last week the U.S. Department of Homeland Security (DHS) announced it had detected ongoing cyberattacks on the natural gas pipeline industry and identified digital signatures, or "indicators of compromise" (IOCs) associated with the attacks. Analysts have found that the IOCs identified by DHS are identical to many IOCs in the March 2011 attack on RSA. In March 2012, the Chief of the National Security Agency told a Senate committee that China was to blame for the RSA hack in March 2011.
http://www.csmonitor.com/USA/2012/0510/Exclusive-potential-China-link-to-cyberattacks-on-gas-pipeline-companies

International News

Militants Blow Up Natural Gas Pipeline Connected to Balhaf LNG Terminal in Yemen; Third Strike on Pipeline in 2 Months

Suspected Islamist militants blew up a gas pipeline in eastern Yemen early Monday morning, marking the third attack on the same pipeline in recent months, according to reports. The pipeline transports natural gas from Maarib to the Balhaf liquefied natural gas (LNG) export terminal, which has halted exports since an attack on the pipeline April 26. This most recent attack will likely delay plans to resume LNG output for several weeks, according to a Yemen LNG employee.
http://www.reuters.com/article/2012/05/14/us-yemen-gas-blast-idUSBRE84D07720120514

Shell Says It's Losing 43,000 b/d of Oil Output Due To Thefts in Nigeria's Niger Delta

The Shell Petroleum Development Company of Nigeria Ltd. (SPDC) loses at least 43,000 b/d of oil due to crude theft and illegal bunkering in Nigeria's Niger Delta, a company spokesman said Monday. Most thefts occur on two major pipelines in the Eastern Niger Delta, the Nembe Creek Trunkline (NCTL) and Trans Niger Pipeline (TNP).
http://www.foxbusiness.com/news/2012/05/14/shell-says-losing-43000-billiond-oil-due-to-thefts-in-nigeria-niger-delta/

Energy Prices

U.S. Oil and Gas Prices
May 14, 2012

	Today	Week Ago	Year Ago
CRUDE OIL **West Texas Intermediate U.S.** $/Barrel	94.53	97.29	97.12
NATURAL GAS **Henry Hub** $/Million Btu	2.37	2.30	4.10

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA
http://www.eia.gov/oog/info/ngw/ngupdate.asp
Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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