



ENERGY ASSURANCE DAILY

Tuesday Evening, May 20, 2014

Electricity

Update: SDG&E Restores Power to All Customers May 18 after San Diego Area Fires

San Diego Gas & Electric (SDGE) crews worked throughout the past week making repairs to the electrical system and restoring service to customers affected by the recent wildfire devastation in San Diego County. As of May 18, all power has been restored to all customers. Early last week, record wind gusts hit the county knocking out power to more than 5,000 customers at times. At the height of the wind event, nearly 6,500 customers were affected by outages scattered around the service area. While all power has been restored, SDG&E continues to assess damage to the electrical system. SDG&E has enlisted all available crews and several contract crews to help replace more than 85 poles in the damaged communities. SDG&E will replace damaged wooden poles with steel poles that are more fire-resistant and resilient in high winds, as appropriate. Some of the areas that SDG&E's system saw some of the most damage include communities in the Camp Pendleton, San Marcos, Pala, Escondido and Carlsbad areas.

<http://www.sdge.com/newsroom/press-releases/2014-05-19/all-power-restored-after-san-diego-fires>

EPA Sets Standards for Cooling Water Intake at Power Plants

The U.S. Environmental Protection Agency May 19 finalized standards for cooling water systems at large power plants and factories to reduce the harmful impact on marine and river life. The new standards impact 544 power plants. Under the standards, existing power generating facilities that withdraw at least 25 percent of their water from adjacent waterbodies exclusively for cooling purposes and have a design intake flow of greater than 2 million gallons per day must reduce fish impingement through one of seven options. Additionally, new units at existing facilities that are built to increase generating capacity must reduce the intake flow to a level similar to a closed cycle, recirculation system.

<http://yosemite.epa.gov/opa/admpress.nsf/bd4379a92ceceac8525735900400c27/f14b3341fbd63e8085257cdd006fb489!OpenDocument>

NMC's 522 MW Prairie Island Nuclear Unit 2 in Minnesota Reports Cooling Water Leak May 19

According to the Nuclear Regulatory Commission, a cooling water leak was identified on a fan coil at the Prairie Island Nuclear Unit 2 in Minnesota May 19. Immediate actions were taken to isolate the fan coil unit and repair the unit to operable condition. The unit was in Hot Standby mode and not producing power at the time of the incident.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20140520en.html>

Constellation's 1,120 MW Nine Mile Point Nuclear Unit 2 in New York Reduced to 65 Percent by May 20

The Nuclear Regulatory Commission reported that on the morning of May 19 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Reduced to 82 Percent by May 20

The Nuclear Regulatory Commission reported that on the morning of May 19 the unit was operating at 94 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

Update: Enbridge Finishes 260,000 b/d Expansion of Line 6B Oil Pipeline

Enbridge Inc. said May 19 that it had completed work on its expanded Line 6B, which carries crude oil from Griffith, Indiana, to Sarnia, Ontario. The company's \$1.6 billion Line 6B replacement program increases the capacity of the pipe to 500,000 b/d from 240,000 b/d, bringing additional supplies of Canadian crude to refineries in Michigan, Ohio, and eastern Canada. The company had an initial April 1 start-up date, with the delay coming as Enbridge dealt with technical issues with the existing pipe while filling the new line with oil.

http://www.nwitimes.com/business/local/enbridge-will-begin-cleaning-up-after-pipeline-construction/article_af81ed93-75db-577d-986a-1f6ebf81553f.html

Update: Flint Hills to Stop Receiving Crude at Its 85,000 b/d North Pole, Alaska Refinery May 24 As It Works Toward Complete Shutdown

Flint Hills Resources will stop taking oil from the Tran-Alaska Pipeline System at its North Pole refinery May 24. This is the next step toward a complete shutdown of the plant. On May 1, the refinery halted gasoline production. Flint Hills announced in February that it planned to close its North Pole refinery, citing the high costs of doing business in Alaska and its ongoing obligations from an industrial chemical spill at the refinery. Although Flint Hills is no longer producing fuels, it still intends to honor its supply contracts with customers. Cook said the company will purchase products from other in-state refineries to meet those obligations.

<http://www.adn.com/2014/05/19/3476943/north-poles-flint-hills-refinery.html?sp=/99/100/&ihp=1>

<http://www.alaskadispatch.com/article/20140519/alaskas-flint-hills-refinery-winds-down-operations-ahead-closure>

Motiva Reports Process Unit Upset at Its 600,000 b/d Port Arthur, Texas Refinery May 19

Motiva Enterprises reported a process unit upset at its Port Arthur refinery in Texas on Monday, according to filing with the Texas Commission on Environmental Quality. The filing did not specify the process unit involved in the incident, but operators immediately began stabilizing the unit to reduce flaring and emissions. Motiva was in the process of restarting the 60,000 b/d hydrocracking unit at the time of the upset after it was shut by a malfunction on Saturday.

Reuters, 10:13 May 20, 2014

Phillips 66 Reports Power Loss, Unplanned Shutdown at Its 44,500 b/d Santa Maria Upgrading Facility in California May 20

Phillips 66 said its Santa Maria upgrading facility in Arroyo Grande, California had a loss of power early Tuesday, which caused an unscheduled shutdown causing flaring. Power was quickly restored, and the company did not indicate whether there was any impact to production.

Reuters, 10:00 May 20, 2014

Shell Applies for Permit to Shut Flexicoker at Its 156,400 b/d Martinez, California Refinery

Royal Dutch Shell Plc. has applied for a permit with Contra Costa County regulators to shut the flexicoker at its Martinez refinery in California, looking to handle lighter crude at the facility. According to Shell, this move would lessen the refinery's reliance on heavy crude oil and cut down greenhouse gas emissions by 15 percent. A delayed coker would still be in service.

<http://fuelfix.com/blog/2014/05/20/shell-considers-retiring-california-coker-amid-shale-boom/>

Board Approves Expansion of Sea-3's Newington, New Hampshire Propane Terminal to Receive Shipments by Rail

The Town of Newington Planning Board in New Hampshire, May 19 voted unanimously to approve a proposal by Sea-3, Inc. to modify its Shattock Way propane facility to accommodate rail shipments of liquefied petroleum gas. Up to now, propane has been shipped to the facility by freighters and offloaded for distribution by truck. Due to changes in the industry, Sea-3 has proposed to expand its existing terminal to allow it to receive shipments by rail of domestic propane, which is substantially less expensive than paying for propane from overseas, and then either distribute it regionally by truck or export it by ship. In its filing with the town of Newington, Sea-3 had stated that if the expansion is approved, the facility will operate 24/7 and increase the number of rail cars carrying propane on Seacoast train tracks from three to seven per week on average and that the trains would pull loads of 6 to 12 propane tank cars each.

<http://www.seacoastonline.com/articles/20140519-NEWS-140519700>

<http://www.cityofportsmouth.com/Sea-3.html>

Rockies Express Pipeline Lifts Force Majeure on Mainline Segment 290 After Fixing Weld in Missouri May 20

Rockies Express Pipeline LLC (REX), a subsidiary of Tallgrass Energy Partners LP, said Tuesday it had lifted the force majeure on its Mainline Segment 290 after fixing a pipe weld downstream of its Turney Compressor Station in Missouri. REX shut flows on the segment and declared force majeure on May 18. The lifting of the force majeure allows REX to schedule up to 1.2 Bcf/d to flow May 20 and up to the line's full capacity of 1.8 Bcf/d May 21. The Rockies Express pipeline is a 1,698-mile natural gas transmission pipeline that extends from Opal, Wyoming, and Meeker, Colorado, to Clarington, Ohio.

<http://pipeline.tallgrassenergylp.com/Pages/NoticeDetail.aspx?pipeline=501&type=CRIT>

Reuters, 10:24 May 20, 2014

Dominion Transmission's Maxwell Compressor Station in Taken Out of Service for Unplanned Maintenance May 19

Dominion Transmission Inc. (DTI) notified shippers Monday that its Maxwell Station was taken out of service for unplanned maintenance due to elevated field pressures. As a result field compressors have shut-in.

http://escript.dom.com/jsp/info_post.jsp?&company=dti

Reuters, 15:00 May 19, 2014

DCP Midstream Reports Engine Shutdown at Its 80 MMcf/d Goldsmith Gas Plant in Texas May 19

DCP Midstream reported to the Texas Commission on Environmental Quality that on May 19 high discharge pressure shutdown all three 5# engines when a turbine 3rd stage recycle valve failed in the open state. Operators immediately began repairs.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=198541>

Other News

Nothing to report.

International News

Update: Libya's Oil Output is 210,000 b/d, El Sharara and Feel Oilfields Still Closed May 19

Libya's oil output was at 210,000 b/d on Monday, with El Sharara and Feel oilfields still closed despite government officials saying protests were over. The El Sharara oilfield normally produces 340,000 b/d, and El Feel had a pre-shutdown capacity of 85,000 b/d.

Reuters, 10:28 May 19, 2014

Statoil Finds Leak, Shuts Production at Snorre B Platform in Norway May 19

Norway's Statoil has shut production at its Snorre B platform in the North Sea after finding an oil leak under a drilling template Monday. It had previously shut production on May 17, after a subsea robot detected a pit under the drilling template. The Snorre field is Norway's fourth largest oil producer, averaging 88,000 b/d in 2013. Statoil also evacuated some people from the platform. The Snorre A platform is operating normally.

http://www.rigzone.com/news/oil_gas/a/133150/Statoil_Shuts_Production_At_Part_Of_Norways_4th_Biggest_Oilfield

Energy Prices

U.S. Oil and Gas Prices			
May 20, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	102.90	100.89	96.02
NATURAL GAS Henry Hub \$/Million Btu	4.51	4.53	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 & 1:00 PM EDT every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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

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