



ENERGY ASSURANCE DAILY

Wednesday Evening, May 27, 2015

Electricity

Update: Over 9,800 SWEPCO Customers Remain Without Power from May 25 Storms in Arkansas, Louisiana, Texas; Second Storm Knocks Out Power to 56,000 Oncor Customers in Texas May 26

Severe thunderstorms coupled with high winds, heavy rainfall, and flooding knocked out power to 60,000 SWEPCO and 55,102 Oncor customers in Arkansas, Louisiana, and Texas on Monday. SWEPCO said the storms caused extensive damage to its transmission and distribution system and most areas should have power restored by Friday, although Henderson, Texas could take until Monday, June 1. As of 3:30 p.m. EDT, 9,878 SWEPCO customers remained without power. Additional storms moved through the Dallas Fort Worth Metroplex in Texas Tuesday night into Wednesday bringing very high rates of cloud to ground lightning and reported wind gusts in excess of 70 mph. At the peak of the storm, approximately 56,000 Oncor customers were without power. As of 3:30 p.m. EDT 20,389 customers remained without power. Oncor expects power to be restored to a majority of its customers late Wednesday evening. The National Weather Service issued a new flash flood warning on Wednesday for Houston.

<https://www.swepco.com/outages/outageMap.aspx>

<https://www.swepco.com/outages/details.aspx?stormName=Ark-La-Tex+Storms+May+25%2c+2015>

<http://stormcenter.oncor.com/default.html>

Reuters, 10:59 May 27, 2015

Storms Knock Out Power to 12,000 DTE Energy Customers in Michigan May 26

Storms producing heavy rains and winds up to 46 mph knocked out power to 12,000 DTE Energy customers Tuesday evening in southeast Michigan. The company reported fallen trees and downed power lines after the storm moved through the area. As of 3:30 EDT, 3,464 customers remained without power.

<http://www.dteenergy.com/map/outage.html>

<http://detroit.cbslocal.com/2015/05/27/storms-roll-through-southeast-michigan-leaving-thousands-without-power/>

Update: Entergy's 979 MW Indian Point Nuclear Unit 3 in New York at Full Power by May 27

Entergy's Indian Point nuclear Unit 3 returned to service Monday after a sixteen-day shutdown to replace a failed electrical transformer. The unit automatically shut down upon failure on May 9, and an estimated 3,000 gallons of dielectric fluid leaked into the Hudson River.

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

<http://www.entropynewsroom.com/latest-news/indian-point-unitback-service-generating-electricity>

Southern's 830 MW Farley Nuclear Unit 1 in Alabama Shut by May 27

On the morning of May 26 the unit was operating at 98 percent. The unit returned from a planned maintenance and refueling outage on May 7.

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

<http://www.satprnews.com/2015/05/20/upgrades-to-plant-farley-enhance-production-of-low-cost-clean-electricity/>

Update: Crockett's 240 MW Gas-fired Unit in California Returns to Service by May 26

The unit returned from an unplanned outage that began by May 23.

<http://content.aiso.com/unitstatus/data/unitstatus201505261515.html>

Dynegy's 510 MW Moss Landing Gas-fired Unit 2 in California Reduced by May 26

The unit entered an unplanned curtailment of 260 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201505261515.html>

Edison Mission Energy's 586 MW Sunrise Gas-fired Unit in California Shut by May 26

The unit entered a planned and unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201505261515.html>

Petroleum

Update: Canada Oil Sands Projects Affected by Alberta Wildfires, Further Evacuations Ordered May 27

Statoil ASA, MEG Energy Corp, and Cenovus Energy Inc evacuated hundreds of workers from three oil sands projects in northeastern Alberta on Tuesday as wildfires raged through the key crude-producing region. The latest evacuations are in addition to project shutdowns by Cenovus and Canadian Natural Resources Ltd over the weekend, as companies rushed to remove staff from potential danger. At least 233,000 b/d of oil sands production, 9 percent of Alberta's total oil sands output, have been suspended because of the fire risk, though none of the projects have been damaged. The Alberta government said there are 70 forest fires now burning in the province, with 20 considered out of control. Lightning storms are forecast for Tuesday evening, increasing the risk of more fires, a government spokesman said. Cenovus evacuated all 90 staff from its Narrows Lake oil sands project on Tuesday, which is not yet producing crude after construction was deferred last year. The company also shut down its Birch Mountain natural gas plant northwest of Fort McMurray. Statoil evacuated around 110 non-essential employees from its 20,000 b/d Leismer project as a precaution, although production is unaffected and the company does not anticipate shutting down operations. MEG said in a statement that there was no safety risk yet, but it suspended operations at its 80,000 b/d Christina Lake oil sands project and halted work on a planned maintenance shutdown. Over the weekend, Cenovus and Canadian Natural halted output at two sites as a precaution against a fast-spreading fire in the Cold Lake oil sands region of Alberta. Both companies on Tuesday said there had been no changes to the status of those projects. Husky Energy Inc said its operations in the Cold Lake region have not been affected by the fire, though it suspended operations at its Muskwa natural-gas processing plant and its Overlea compressor facilities in north central Alberta due to other fires. Six employees were evacuated from the sites.

Reuters, 11:45 May 27, 2015

Reuters, 18:53 May 26, 2015

<http://www.megenergy.com/news-room/article/meg-energy-moves-non-essential-staff-christina-lake-site>

<http://www.cenovus.com/global/fire/forest-fire.html>

Flint Hills Reports Compressor Trip at Its 293,000 b/d Corpus Christi, Texas Refinery May 24

Flint Hills Resources reported severe thunderstorms caused the level transmitter to malfunction in the coker wet gas unit, causing the compressor to trip on May 24 at its Corpus Christi, Texas refinery.

Reuters, 8:18 May 27, 2015

Tallgrass Energy Says Its 230,000 b/d Pony Express Crude Oil Pipeline Back Online May 26

Tallgrass Energy Partners said its Pony Express crude oil pipeline, which runs from Guernsey, Wyoming, to delivery points at Cushing, Oklahoma was back online Tuesday afternoon and operating normally. The Pony Express mainline was shut due to a systems issue.

<http://www.tallgrassenergy.com/Pipelines/PonyExpress/>

Reuters, 12:38 May 27, 2015

North Dakota Public Service Commission to Hold Hearing on Energy Transfer Partners' 1,134-Mile Dakota Access Oil Pipeline from North Dakota to Illinois

The North Dakota Public Service Commission this week is holding the first of three public hearings on a proposed oil pipeline that would stretch from western North Dakota to Illinois. Energy Transfer Partners' proposed 1,134-mile Dakota Access Pipeline would move oil from the Bakken formation to a terminal in Patoka, Illinois, for distribution to refineries in eastern states. The company expects the pipeline to be operating by the end of 2016.

Reuters, 6:17 May 27, 2015

Port of Longview, Riverside Energy Negotiating for New 30,000 b/d Oil Refinery on Columbia River in Washington

The Port of Longview says it is negotiating with Riverside Energy LLC on a proposal for a new crude oil refinery on the Columbia River. The project would receive oil-by-rail shipments from the Bakken region in North Dakota at a 47-acre site in southwest Washington. The proposed refinery would process 45,000 b/d, including 30,000 b/d of crude oil and 15,000 b/d of seed oil and used cooking oil.

<http://www.portoflongview.com/Portals/0/Documents/Press-Releases/2015%20RiversideAdvisory.pdf>
<http://www.seattletimes.com/seattle-news/longview-port-in-talks-over-oil-refinery-on-columbia-river/>

Natural Gas

Sabine Pipe Line Reports Henry Hub Receipt with Texas Gas Transmission Unavailable May 26

Sabine Pipe Line reported any nominations made to the Henry Hub receipt interconnect with Texas Gas Transmission will be taken to zero.

<http://www.gasnom.com/ip/sabine/index.cfm>

Targa Reports Flaring at Its 150 MMcf/d Sand Hills Gas Plant in Texas May 25

Targa reported an upset at the plant caused flaring at all three flares. The units were repaired and restarted.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=214638>

Regency Reports Shutdown Due to Power Outage at Its 290 MMcf/d Waha Gas Plant in Texas May 23

Regency reported its Waha gas plant shut due to power loss from a third-party provider. Once power was restored, the plant and acid gas injector compressor were restarted.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=214620>

Other News

NOAA Says Below-Normal Atlantic Hurricane Season Likely This Year

National Oceanic and Atmospheric Administration's (NOAA) Climate Prediction Center says the 2015 Atlantic hurricane season will likely be below-normal. For the hurricane season, which officially runs from June 1–November 30, NOAA is predicting a 70 percent likelihood of 6 to 11 named storms (winds of 39 mph or higher), of which 3 to 6 could become hurricanes (winds of 74 mph or higher), including zero to 2 major hurricanes (Category 3, 4 or 5; winds of 111 mph or higher). While a below-normal season is likely (70 percent), there is also a 20 percent chance of a near-normal season, and a 10 percent chance of an above-normal season. NOAA will issue an updated outlook for the Atlantic hurricane season in early August, just prior to the historical peak of the season. NOAA also issued its outlook for the Eastern Pacific and Central Pacific basins. For the Eastern Pacific hurricane basin, NOAA's 2015 outlook is for a 70 percent chance of an above-normal hurricane season. That outlook calls for a 70 percent probability of 15–22 named storms, of which 7–12 are expected to become hurricanes, including 5–8 major hurricanes. For the Central Pacific hurricane basin, NOAA's outlook is for a 70 percent chance of an above-normal season with 5–8 tropical cyclones likely.

<http://www.noaanews.noaa.gov/stories2015/20150527-noaa-hurricane-outlook-below-normal>

<http://hurricane.atmos.colostate.edu/Forecasts/2015/apr2015/apr2015.pdf>

International News

Update: Nigeria Paying \$800 Million to Oil Suppliers to End Crisis

Oil suppliers say Nigeria's outgoing government has agreed to pay \$800 million to end a fuel crisis crippling the economy just days before the inauguration of a new president Friday. On Tuesday most flights were cancelled at Nigerian airports due to the shortages and vehicles waited in mile-long lines at gas stations. The Independent Petroleum Marketers Association of Nigeria said the finance minister agreed Monday to pay a debt of \$800 million to oil suppliers. It said companies started pumping oil again Tuesday and unpaid tanker drivers stopped striking.

http://www.downstreamtoday.com/news/article.aspx?a_id=47833

Energy Prices

U.S. Oil and Gas Prices			
May 27, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	57.93	58.91	104.81
NATURAL GAS Henry Hub \$/Million Btu	2.82	3.07	4.38

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

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