



# ENERGY ASSURANCE DAILY

Monday Evening, June 09, 2014

## Electricity

### Thunderstorms Knock Out Power to Nearly 45,000 Customers in Texas June 9

Thunderstorms hit Texas this morning and afternoon, knocking out power to 44,585 customers. Oncor, the hardest-hit utility, reported over 24,000 customers without power at the height of the storms. Lightning affected equipment, and high winds took down trees and power lines, according to an Oncor spokesperson. Oncor couldn't predict how long it would be before power was restored to all customers, but said extra workers have been called in to make repairs. As of 3:30 p.m. EDT today, 15,090 customers remained without power. AEP Southwestern Electric Power Co. was reporting increasing outages as of this afternoon as new storms began to affect its service territory in northeast Texas.

Texas Customer Power Outages			
June 9, 2014			
Electric Utility	State	Peak	Latest Reported
AEP Southwestern Electric Power Co.	TX	4,836	4,836
Austin Energy	TX	1,084	0
Blue Bonnet Electric Coop	TX	2,224	54
CenterPoint Energy	TX	4,800	2,349
CPS Energy	TX	7,641	2,419
Oncor	TX	24,000	5,432
<b>TOTAL*</b>		<b>44,585</b>	<b>15,090</b>

\*Total outages represent only electric utilities listed in this table.

Sources:

- <http://stormcenter.oncor.com/default.html>
- <http://gis.centerpointenergy.com/outagetracker/index.html>
- [http://outagemap.cpsenergy.com/CPSStaticMapsEXT/CPSStaticMapV2\\_EXT.html](http://outagemap.cpsenergy.com/CPSStaticMapsEXT/CPSStaticMapV2_EXT.html)
- <http://outage.bluebonnetelectric.coop:82/>
- <https://my.austinenergy.com/outages/>
- <http://www.aepcustomer.com/outagemap/main.aspx?region=swepeco>
- <http://www.star-telegram.com/2014/06/09/5885094/thunderstorms-sweep-through-dfw.html>
- <http://www.tylerpaper.com/TP-News+State/201005/storms-caused-tens-of-thousands-of-power-outages-in-north-texas#.U5XyuPidUSk>

### Update: Entergy Arkansas Has Restored Power to 129,000 Customers since Storms Began June 5, Power Restoration Continues

On Sunday, Entergy Arkansas reported that it had restored power to more than 129,000 customers since the first storm hit its service territory on Thursday, and that 4,000 of its customers remained without power. Entergy said customer outages peaked at 45,584 on Friday afternoon. The company had restored power to all but 7,000 by Saturday afternoon when a second storm increased outages to 16,962. As of 3:30 p.m. EDT today, 3,939 customers remained without power.

- <https://twitter.com/EntergyArk>
- <http://www.arkansasonline.com/news/2014/jun/08/forecasters-say-storms-with-high-winds-/?f=news-weather>
- <http://www.etrviewoutage.com/external/ar.aspx>

## **Strong Thunderstorms Knock Out Power to 64,000 Alabama Power Customers June 6–7**

Severe thunderstorms that moved across central Alabama overnight Friday into Saturday produced quarter-size hail, damaging winds, and torrential downpours leaving 64,000 Alabama Power Co. customers without power. Winds reached up to 60 mph at times, according to the National Weather Service. As of 6 a.m. CDT today, power had been restored to nearly all customers, except some isolated cases, according to Alabama Power.

[http://www.al.com/news/birmingham/index.ssf/2014/06/heavy\\_winds\\_sweeping\\_across\\_al.html](http://www.al.com/news/birmingham/index.ssf/2014/06/heavy_winds_sweeping_across_al.html)

<https://twitter.com/alabamapower>

## **PECO Reports Over 31,000 Customers in Pennsylvania Have Power Knocked Out Due to Faulty Substation Equipment June 9**

PECO crews were working to restore power to customers in Pennsylvania after a problem with a piece of equipment at a substation was reported around 2:30 p.m. EDT Monday afternoon. As of 4:00 p.m. EDT today, 31,869 customers remained without power.

[http://www.theintell.com/news/local/peco-crews-working-to-restore-power/article\\_3f9383e6-6c74-5a0e-903f-9e934b4e08fd.html](http://www.theintell.com/news/local/peco-crews-working-to-restore-power/article_3f9383e6-6c74-5a0e-903f-9e934b4e08fd.html)

## **Update: PPL's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Restarts by June 5, Ramps Up to 82 Percent by June 9**

The unit restarted by June 5. On May 28 the unit completed refueling and maintenance work but it remained shut for turbine work.

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

<http://finance.yahoo.com/news/ppl-keeps-pennsylvania-susquehanna-1-200940911.html>

## **Update: NPPD's 764 MW Cooper Nuclear Unit in Nebraska at Full Power by June 8**

On the morning of June 7 the unit was operating at 78 percent, up from 25 percent by June 6. The unit was restarted by June 5 after shutting from full power by May 30.

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

## **PGE Building 440 MW Natural Gas-fired Carty Generating Station in Boardman, Oregon**

Portland General Electric started building a natural gas-fired power plant in Boardman, Oregon, next to a coal-fired power plant that is slated to close or be converted to a different fuel source by 2020. The plant is expected to come online by July 2016.

[http://www.oregonlive.com/pacific-northwest-news/index.ssf/2014/06/pge\\_building\\_boardman\\_natural-.html](http://www.oregonlive.com/pacific-northwest-news/index.ssf/2014/06/pge_building_boardman_natural-.html)

[http://www.eastoregonian.com/free/pge-moving-ahead-with-natural-gas-plant/article\\_f005935c-ed2e-11e3-8afb-001a4bcf887a.html](http://www.eastoregonian.com/free/pge-moving-ahead-with-natural-gas-plant/article_f005935c-ed2e-11e3-8afb-001a4bcf887a.html)

## ***Petroleum***

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### **Shale Oil, Gas Production to Offset Possible Gulf of Mexico Hurricane Shut-ins – EIA**

The prevalence of oil production in shale formations has reduced the likelihood that any cuts in production from offshore rig shut-ins in the Gulf of Mexico during the 2014 Atlantic hurricane season will be felt, according to the Energy Information Administration (EIA). The Gulf of Mexico accounts for about 23 percent of the total U.S. crude oil production, the EIA said. However, an increasing percentage of total production is coming from unconventional formations. So, much of the lost production from shut-ins ahead of an approaching storm or hurricane will be offset by inland activity. Refining capacity remains an area of vulnerability, however. More than 40 percent of total U.S. petroleum refining capacity, and 30 percent of total natural gas processing plant capacity, are located along the Gulf Coast, according to EIA figures.

[http://www.rigzone.com/news/oil\\_gas/a/133455/EIA\\_Shale\\_Oil\\_Gas\\_Production\\_to\\_Offset\\_Possible\\_Gulf\\_Shutins\\_#sthash.H8BMEfK2.dpuf](http://www.rigzone.com/news/oil_gas/a/133455/EIA_Shale_Oil_Gas_Production_to_Offset_Possible_Gulf_Shutins_#sthash.H8BMEfK2.dpuf)

<http://www.eia.gov/todayinenergy/detail.cfm?id=16551>

### **Rail Defect Discovered Day Before April 30 CSX Train Crash in Lynchburg, Virginia**

The Virginia State Corporation Commission Division of Utility and Railroad Safety discovered that a CSX inspection found an unidentified track defect in Lynchburg the day before the April 30 derailment of 17 tanker cars carrying crude oil in the city's downtown, which resulted in three cars falling into the James River and one catching fire. An investigation into the derailment is continuing.

[http://www.timesdispatch.com/news/state-regional/rail-defect-discovered-day-before-train-crash/article\\_675eb3c7-ff01-5cac-aaf0-abedd0399ba3.html](http://www.timesdispatch.com/news/state-regional/rail-defect-discovered-day-before-train-crash/article_675eb3c7-ff01-5cac-aaf0-abedd0399ba3.html)

### **Alon Reports Minor Fire in Crude Unit at Its 67,000 b/d Big Spring, Texas Refinery June 5**

Alon USA Energy Inc. reported a minor fire in the crude unit during turnaround activities at its Big Spring, Texas, refinery on Thursday. The fire occurred during a welding work as a part of planned maintenance at the refinery. An 'all clear' was given for the unit with no injuries to personnel, according to a filing with Texas Commission on Environmental Quality made public on Friday.  
Reuters, 16:13 June 6, 2014

### **Tesoro Reports Flange Leak at Its 166,000 b/d Martinez, California Refinery June 8**

Tesoro Corp. reported a small flange leak at its Golden Eagle refinery in Martinez, California, on Sunday, according to a filing with Contra Costa Health Services. Thermal expansion on an out-of-service pipeline resulted in the leak, which was contained, the filing said. The report did not say if the leak had an impact on regular refinery operations.  
Reuters, 12:59 June 9, 2014

### **Shell Restarting Unit at Its Scotford, Alberta Facility June 8**

Royal Dutch Shell Plc reported it was restarting an unspecified unit at its Scotford facility near Edmonton, Alberta, on Saturday evening, according to a message recorded on a community information telephone line. The activity could result in increased flaring over the next 48 hours and there was no material impact to production, the message said. Shell runs a 255,000 b/d oil sands upgrader facility and a 100,000 b/d refinery at Scotford.  
Reuters, 21:24 June 8, 2014

### **TrailStone Buys 42,000 b/d Tacoma, Washington Refinery June 9**

TrailStone, a start-up commodity merchant backed by private equity firm Riverstone Holdings LLC, agreed to buy U.S. Oil and Refining Co.'s refinery in Tacoma, Washington. It will also gain 2.7 million barrels of storage capacity, a fleet of 630 rail cars, several barges, and a deepwater terminal along the coast, which is emerging as an important hub for shipping Bakken and Canadian crude. The refinery has a dedicated jet fuel pipeline to Joint Base Lewis-McChord, a U.S. military installation close to Tacoma, Washington.  
Reuters, 12:50 June 9, 2014

## ***Natural Gas***

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### **Atlas Pipeline Reports Compressor Engine Shut at Its 195 MMcf/d Midkiff Gas Plant in Texas June 7, Diverts Gas to Driver Plant**

Atlas Pipeline reported compressor engine B-15 went down due to an AFR alarm when a mechanical failure occurred. The engine was found to have a bad power head on no. 2 L.B. Gas was diverted to the Driver Gas Plant to minimize emissions until repairs to the compressor engine could be completed.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=199444>

## ***Other News***

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### **EPA Extends Compliance Deadline for 2013 Biofuel Mandate**

The U.S. Environmental Protection Agency (EPA) on Friday extended the deadline for refiners to show compliance with the 2013 federal biofuel use targets to September 30, 2014, as the 2014 renewable fuel use targets remain delayed. The EPA said the extension was necessary because refiners need to know their 2014 obligations before they can determine how many biofuel credits they may need to carry over from 2013 to comply with this year's requirements.

Reuters, 14:08 June 6, 2014

### Libya Supplying 120,000 b/d Zawiya Refinery Without Offshore Oil June 8

Libya was still able to supply its Zawiya refinery without drawing on oil from two offshore fields, an oil ministry official said on Sunday. On Wednesday, a spokesman for state-owned National Oil Corp (NOC) said Libya might have to use oil from offshore fields Al Jurf and Bouri to feed the refinery which supplies western Libya with fuel products. The offshore oil is one of the last export sources for a government struggling with a wave of protests at oilfields and ports that began last summer. A senior oil ministry official told Reuters Brega port in the east was still producing enough to supply the refinery. The Al Jurf and Bouri offshore fields, producing around 80,000 b/d, have been unaffected so far by 10 months of nationwide oil protests. Zawiya refinery depends on oil from the major western El Sharara oilfield, which has been shut down since March. Crude coming from the eastern Brega port was being used as an alternative feedstock.

[http://www.rigzone.com/news/oil\\_gas/a/133462/Official\\_Libya\\_Supplying\\_Zawiya\\_Refinery\\_without\\_Offshore\\_Oil#sthash.LEQWtx6o.dpuf](http://www.rigzone.com/news/oil_gas/a/133462/Official_Libya_Supplying_Zawiya_Refinery_without_Offshore_Oil#sthash.LEQWtx6o.dpuf)

### Second Tanker of Kurdish Crude Oil Leaves Turkish Port despite Baghdad Protests

A second shipment of 1 million barrels of Iraqi Kurdish crude sailed from the Turkish port of Ceyhan on Monday, industry and government sources said. The shipment is the second to leave Ceyhan in three weeks after arriving by pipeline. At least 2 million barrels of Kurdish crude are now at sea, despite protests from Baghdad that only the central government has the right to sell Iraqi oil. The Kurdish Regional Government has said the oil shipments are designed to show Baghdad it will exercise control over its own oil sales, but so far it has failed to find a buyer for its first tanker shipment, which left Ceyhan over two weeks ago.

Reuters, 11:09 June 9, 2014

## Energy Prices

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U.S. Oil and Gas Prices			
June 9, 2014			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	104.83	103.08	96.04
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.66	4.49	3.99

Source: Reuters

## Links

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***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](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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