



ENERGY ASSURANCE DAILY

Tuesday Evening, June 23, 2015

Electricity

Strong Storms Knock Out Power to Over 204,000 Customers in Midwest, Northeast June 22–23

Strong storms knocked out power to 204,658 customers in Wisconsin, Michigan, Illinois, Ohio, Pennsylvania, and New York Monday night into Tuesday. As of 3:30 p.m. 53,696 customers remained without power. Commonwealth Edison, the hardest hit utility with 58,200 customers without power in Illinois, said most power should be restored by 11 p.m. CDT Tuesday. DTE reported 43,000 customers lost power and said most areas should have restored power by Tuesday night, but some pockets may be out until Wednesday. The National Weather Service (NWS) Storm Prediction Center is forecasting a risk of additional severe thunderstorms Tuesday afternoon and evening across the Ohio Valley and central Appalachians to southern New England, where damaging wind gusts, large hail, and possibly tornadoes could further exacerbate restoration efforts in previously affected areas.

Midwest and Northeast Customer Power Outages			
June 22–23, 2015			
Electric Utility	State	Peak	Latest Reported
Commonwealth Edison	IL	58,200	11,355
DTE	MI	43,000	21,402
Consumers Energy	MI	10,898	6,252
National Grid	NY	9,000	1,067
NYSEG	NY	12,000	352
FirstEnergy	OH	15,299	3,621
FirstEnergy	PA	9,046	9,046
We Energies	WI	37,000	192
WPS	WI	11,000	409
TOTAL*		204,658	53,696

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

Sources:

- <https://twitter.com/ComEd>
- <http://www.dteenergy.com/map/outage.html>
- <https://www.consumersenergy.com/outagemap>
- <http://www.nyseg.com/Outages/outageinformation.html>
- <https://www1.nationalgridus.com/PowerOutageMap-NY-RES>
- <https://twitter.com/IlluminatingCo>
- <http://outages.firstenergycorp.com/oh.html>
- <http://outages.firstenergycorp.com/pa.html>
- <https://twitter.com/Penelec>
- https://twitter.com/we_energies
- <http://www.we-energies.com/outagemapext/>
- <http://www.wisconsinpublicservice.com/outagesummary/view/outagegrid.aspx>
- <https://twitter.com/WPSstorm>
- <http://news.wbfo.org/post/overnight-storms-leave-thousands-dark-early-morning>
- <http://www.starjournalnow.com/2015/06/22/thousands-without-power-following-storm/>
- <http://www.thetimesherald.com/story/news/local/2015/06/23/dte-without-power-st-clair-sanilac-counties/29147631/>
- <http://www.weather.gov/>

Geomagnetic Storm Hits Earth, Strengthens to ‘Severe’ G4 Levels June 22, 23; Power System Voltage Irregularities Possible in Northern U.S. and Canada

A geomagnetic storm began impacting the Earth Monday at 2:39 p.m. EDT and quickly strengthened to severe (G4) levels. The National Oceanic and Atmospheric Administration’s (NOAA) Space Weather Prediction Center (SWPC) issued the G4 Alert at 2:58 p.m. EDT, the same intensity level reached earlier in March during the St. Patrick’s Day storm. Current space weather activity is the result of a combination of coronal mass ejections (CMEs) from June 18 and 19, as well as a fast full halo CME on June 21. Intensity levels weakened overnight, but reached G4 levels once again as of 1:13 pm EDT on Tuesday. The SWPC has predicted G2 (Moderate) levels on June 24, G3 (Strong) levels on June 25, and finally weakening to G1 (Minor) levels by June 26. Impact areas northward of 50 degrees Geomagnetic Latitude could experience power system voltage irregularities leading to false alarm trips on some protection devices. Additionally, GPS navigation services and high frequency radio waves could be interrupted during the event.

<http://www.swpc.noaa.gov/news/geomagnetic-storming-reaches-g4-severe-levels>

<http://www.swpc.noaa.gov/products/alerts-watches-and-warnings>

<http://www.swpc.noaa.gov/noaa-scales-explanation>

<http://www.swpc.noaa.gov/news/g4-alert-another-storm-reaches-severe-levels>

National Grid Restores Power to 27,000 Customers after Substation Issue in Rhode Island June 22

National Grid on Monday said power was restored to all 27,000 customers across Warwick and surrounding communities in Rhode Island after an issue at a Warwick substation. The company said one of the transformers went out of service when a high velocity of electricity went through the station, but did not cause any equipment damage. Although power was restored, the affected transformer remained offline as of 7 p.m. EDT Monday and the company said it did not anticipate any further problems.

<http://wpri.com/2015/06/22/power-lost-in-parts-of-warwick-west-warwick/>

Duke Energy Reports Transmission Line Failure Knocks Out Power to Over 18,000 Customers in North Carolina June 23

Duke Energy on Tuesday morning reported 18,700 customers in Guilford and Rockingham Counties, North Carolina lost power due to a failure on one of its transmission lines. Duke was investigating the cause of the failure, and as of 12 p.m. EDT, nearly all customers had power restored.

<http://www.wfmynews2.com/story/news/local/2015/06/23/more-than-11000-without-power-in-guilford-county/29150347/>

<http://outagemap.duke-energy.com/ncsc/default.html>

<http://www.twcnews.com/nc/triad/news/2015/06/23/power-outage-in-guilford-and-rockingham-counties.html>

OPPD’s 478 MW Fort Calhoun Nuclear Unit in Nebraska Reduced to 62 Percent by June 23

On the morning of June 22 the unit was operating at full power.

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

Entergy’s 1,075 MW Waterford Nuclear Unit 3 in Louisiana Shut by June 23

On the morning of June 22 the unit was operating at full power.

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

Update: AES’s 175 MW Redondo Gas-fired Unit 6 in California Returns to Service by June 22

The unit returned from an unplanned outage that began on June 21.

<http://content.caiso.com/unitstatus/data/unitstatus201506221515.html>

BHE Renewables’ 276 MW Solar Star Unit 2 in California Shut by June 22

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201506221515.html>

DTE Energy to Issue RFP for 5 to 50 MW Solar Installation in Michigan

DTE Energy today announced it will issue a request for proposal (RFP) to develop a solar generating facility with 5 to 50 MW of capacity. The RFP will be issued Wednesday, June 24 and notices of intent to bid are due by Wednesday, July 22. The solar generating facility must be in DTE Energy's service area and operational by December 31, 2016.

<https://dteenergy.mediaroom.com/2015-06-23-DTE-Energy-to-issue-RFP-for-large-solar-installation>

ITC Commences Open Solicitation for Transmission Rights on Its 1,000 MW ITC Lake Erie Connector Project from Pennsylvania to Ontario

ITC Lake Erie Connector LLC on Monday commenced an open solicitation for interest in transmission capacity on the Lake Erie Connector line. ITC intends to solicit expressions of interest from qualified parties for firm transmission rights at negotiated rates through August 21. The ITC Lake Erie Connector is a proposed 1,000 MW, bi-directional, High-Voltage Direct Current (HVDC) merchant transmission line that will provide the first direct link between the markets of the Ontario Independent Electricity System Operator (IESO) and PJM Interconnection, LLC (PJM).

<http://www.itc-holdings.com/releases-news/item/948-itc-commences-open-solicitation-for-transmission-rights-on-itc-lake-erie-connector-project.html>

<http://www.itclakeerieconnector.com/>

Petroleum

Update: Transport Canada Files Charges against Railway in 2013 Lac-Megantic, Quebec Crash

Transport Canada on Monday said charges were filed against Montreal, Maine & Atlantic Railway Ltd in connection with the 2013 deadly train derailment in Lac-Megantic, Quebec, under the Railway Safety Act and the Fisheries Act. In July 2013, an unattended train carrying crude oil through Lac-Megantic rolled downhill, derailed and exploded, destroying much of the town and killing 47 people. Transport Canada's investigation under the Railway Safety Act found that an insufficient number of handbrakes were applied to the train and that the handbrakes were not tested properly. Environment Canada's investigation under the Fisheries Act relates to the prohibition of depositing or permitting the deposit of a deleterious substance into fish-bearing waters with the release of crude oil into the immediate environment of Lac-Megantic and the Chaudiere River as a result of the accident. Transport Canada said those charged must appear before the court in Lac-Megantic in November 2015.

<http://news.gc.ca/web/article-en.do?nid=990109>

http://www.downstreamtoday.com/news/article.aspx?a_id=48133

Update: Workers at Marathon's 451,000 b/d Galveston Bay, Texas Refinery Vote on Contract, May End Strike June 22

More than 1,000 striking workers from Marathon Petroleum Corp's Galveston Bay Refinery on Monday began two days of voting on a tentative contract, which if ratified, would end a five-month work stoppage, union officials said. The hourly workers, members of United Steelworkers union (USW) Local 13-1, were casting secret ballots on the contract and a return-to-work agreement. If approved, workers would begin returning to the refinery on July 6 and all would be back at work by July 18. The Galveston Bay Refinery employees were among the first called out on strike on February 1 after talks broke down between the USW's negotiators and plant owners in the U.S. for a national agreement on pay, benefits, and safety policies for refinery and chemical workers. The strike spread to 15 plants, including 12 refineries, which account for one-fifth of national crude oil refining capacity.

Reuters, 13:39 June 22, 2015

Update: Marathon Resumes Preparation for FCCU Restart at Its 451,000 b/d Galveston Bay, Texas Refinery June 22 – Sources

Marathon Petroleum Corp resumed preparations to restart the 60,000 b/d fluidic catalytic cracking unit (FCCU) this week at its Galveston Bay Refinery, said sources familiar with refinery operations. The restart was in doubt following the shutdown over the weekend of the refinery's 60,000 b/d hydrocracking unit due to a failure of the tower which supplies it with cooling water. The restart of the FCCU may resume as early as Wednesday, the two sources said. The FCCU has been shut since a January 13 breakdown.

Reuters, 12:32 June 22, 2015

Shell Reports Leak from Unit Contained at Its 327,000 b/d Deer Park, Texas Refinery June 23

Reuters, 11:44 June 23, 2015

Shell Says Its 145,000 b/d Anacortes, Washington Refinery Back to Normal Operations June 22

Reuters, 15:20 June 22, 2015

Update: Tesoro Says Operations Normal at Its 120,000 b/d Anacortes, Washington Refinery after Power Blip

Tesoro said it experienced a flare event at its Anacortes, Washington refinery as a result of a brief power dip late last week. On Monday, operations were running normally.

Reuters, 13:34 June 22, 2015

Chevron Says Flaring Related to Process Unit at Its 269,000 b/d El Segundo, California Refinery June 22

Chevron said unplanned flaring was related to one of the process units at its El Segundo, California refinery and there was no impact on its ability to deliver products to customers in the Southern California region.

Reuters, 20:07 June 22, 2015

Update: Repair Planned for Small Leak on Alyeska's Trans-Alaska Oil Pipeline

A small leak reported last month in the trans-Alaska oil pipeline is dripping so slowly that an employee is able to contain it by periodically wiping the drip with a rag, according to the Alyeska Pipeline Service Company. The company reported May 29 that the pipeline had leaked 10 gallons but an Alyeska spokeswoman said it was currently dripping less than a teaspoon a day. The company's Fairbanks shop was building a metal sleeve to contain the leak in a fitting between two pipes, according to a company spokeswoman. The oil seeps out of a fitting that connects two pieces of steel pipe to insulate Pump Station 10 from electrical current. A crew is preparing for the new sleeve at the pump station, and the installation should happen soon, the spokesperson said. The trans-Alaska oil pipeline runs 800 miles from the North Slope to Valdez.

Reuters, 7:03 June 23, 2015

http://www.newsminer.com/news/local_news/repair-planned-for-small-leak-in-trans-alaska-oil-pipeline/article_7f738562-197a-11e5-8f67-6368eecf363f.html

Georgia DOT Refutes KMI's Palmetto Pipeline Appeal: Project Lacks Public Need

Kinder Morgan, Inc (KMI) appealed Georgia Department of Transportation (DOT) decision to deny the Palmetto Pipeline a permit needed to build the 210-mile gas, diesel, and ethanol pipeline through east Georgia. The pipeline would pass through the state as it runs from South Carolina to Florida. The DOT Commissioner ruled that Kinder Morgan hadn't demonstrated that the pipeline met a public need.

Reuters, 3:37 June 23, 2015

Saddlehorn Pipeline Project Will Expand to Originate in Carr, Colorado

Saddlehorn Pipeline Company, LLC announced today that the Saddlehorn Pipeline system will extend to Carr, Colorado. Saddlehorn is a limited liability company owned by Magellan Midstream Partners, L.P., Plains All American Pipeline, L.P., and Anadarko Petroleum Corporation. The extension has been designed to provide shippers with flexible options and streamlined access into the Saddlehorn Pipeline system. Saddlehorn will construct, own, and operate the approximately 600-mile pipeline (including the Carr extension) that will transport various grades of crude oil from the DJ Basin, and potentially the broader Rocky Mountain and Bakken area resource plays, to storage facilities in Cushing, Oklahoma owned by Magellan and Plains. The 20-inch pipeline from Platteville to Cushing ultimately has the capacity to transport up to 400,000 b/d, with the initial capacity expected to be closer to 200,000 b/d. Subject to receipt of necessary permits and regulatory approvals, the Platteville to Cushing pipeline is expected to be operational during mid-2016 and the extension to Carr is anticipated to be in service by the end of 2016.

<http://www.magellanlp.com/magellannewsmpa.aspx?id=2147484070>

EIA Will Add More Regions in Its Weekly Natural Gas Storage Report by Fall 2015

The U.S. Energy Information Administration expects to include more regions in its calculation of the weekly U.S. natural gas storage data later this autumn to improve transparency. The revamped report will include five regions - the East, Midwest, Mountain, West and South Central, according to the EIA and a report by RBN Energy LLC. The current three regions are the East, West and Producing. The producing region includes the Gulf Coast states that historically produced most of the nation's gas before the shale revolution opened up the Marcellus and Utica basins in the East region. A natural gas storage expert at EIA said there wasn't an official start date yet, but the weekly storage report is expected to be updated around November 1. The EIA proposed the new regions last summer and has been collecting data on them since the start of this year.

Reuters, 12:13 June 22, 2015

Update: Tallgrass Energy's REX Pipeline to Restart Its Wamsutter Echo Springs Compressor June 23

Tallgrass Energy's Rockies Express Pipeline LLC (REX) was projecting that unit no. 2 at the Wamsutter Echo Springs Compressor Station would be returned to service on or about June 23. REX will continue to schedule down nominated quantities at the Wamsutter Echo Springs receipt point to 75,000 Dth/d until further notice.

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

Regency Reports Recompressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas June 22

Regency reported the expander and recompressor shutdown. The inlet gas was shut-in and the equipment and plant processes were restarted. The inlet gas was lined out and the acid gas injector compressor was restarted.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=216203>

Spectra Energy's Ruptured Transmission Line in Arkansas Linked to 2011 Inspection, Fine

Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) inspectors found several violations during their most recent review of Spectra Energy's Texas Eastern Transmission system, which includes the pipeline that burst last month in the Arkansas River. Spectra Energy was cited during the 2011 inspection for three violations, including failure to inspect sections of pipe for corrosion, and was required to pay a civil penalty of \$134,500, according to reports by PHMSA. The 24-inch pipeline ruptured May 31, and roughly 4 million cubic feet of natural gas flooded in the river. The auxiliary line is part of the company's Texas Eastern Pipeline, which transports fuel from Texas to New Jersey. The company provides gas to CenterPoint Energy in the Little Rock area.

Reuters, 12:03 June 23, 2015

Semi-Truck Hits Gas Pipeline, Causes Leak in Texas June 22

An 18-wheeler truck hit a gas pipeline in La Porte, Houston, killing the driver and causing a leak of hazardous material on Monday, according to local media. Fire officials said the ruptured pipeline leaked a large quantity of propylene on Highway 225. Crews were trying to cap the leak, the report said, but the pipeline owner has yet to be identified.

Reuters, 23:33 June 22, 2015

Other News

Poet Reports Explosion at Its Glenville Ethanol Plant in Minnesota June 21

A Poet Llc ethanol plant in Minnesota was shut down following a Sunday morning explosion that injured two people. There is no timeline yet for restarting the plant, which produces about 45 million gallons of ethanol annually, a Poet spokesman said on Monday. The two injured employees were taken to the hospital, according to the spokesperson.

<http://www.grandforksherald.com/news/agriculture/3771521-2-hurt-minnesota-ethanol-plant-explosion-plant-shut-down>

Ecopetrol's Transandino Pipeline Bombed, Oil Spills into Colombian River June 21

Crude oil has spilled into another Colombian river, state-run oil company Ecopetrol said on Monday, in the latest bomb attack on the company's pipelines that the army has blamed on leftist rebel groups. The company said it had suspended pumping of crude oil through the 186-mile Transandino pipeline after a bomb ruptured a stretch of the line near the Pacific Coast, causing crude oil to flow into a river at high pressure. Ecopetrol said it deployed booms to try to recover the crude oil and prevent it reaching an inlet downstream from which water supplies are drawn. An attack on the same pipeline last week resulted in large amounts of crude oil being spilled into a river. The army blamed the attack on Revolutionary Armed Forces of Colombia, known as FARC. Ecopetrol did not attribute blame for Sunday's attack but the FARC has a heavy presence in the southwestern region where it occurred.
Reuters, 17:40 June 22, 2015

Pemex Confirms Oil Platform Accident in Gulf of Mexico June 22

Pemex confirmed on Monday there was an accident on an oil platform at one of its major operations in the southern Gulf of Mexico resulting in a minimal production deferral of 15,000 barrels. The company said the accident was caused by an oil and gas leak and three workers performing routine inspections had been evacuated. It said there were no reports of any injuries on the platform, which was uninhabited and operated remotely. Local media said there was an explosion and a fire on the platform. The platform, Akal-H, is part of the Akal field complex which produced an average of 177,000 b/d last year.
Reuters, 20:45 June 22, 2015

Energy Prices

U.S. Oil and Gas Prices			
June 23, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	61.00	60.03	106.06
NATURAL GAS Henry Hub \$/Million Btu	2.78	2.87	4.51

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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