



ENERGY ASSURANCE DAILY

Friday Evening, July 08, 2016

Electricity

Update: 1,311 Customers Remain without Power in Missouri July 8 after Strong Storms Hit July 6-7

Power restoration was continuing on Friday to the 60,000 KCP&L and 13,247 Ameren customers in Missouri who had their power knocked out when strong storms producing high winds and heavy rain hit on Wednesday night into Thursday. Wind gusts of up to 60 mph were reported, downing trees and powerlines. As of 3:30 p.m. EDT Friday, 352 KCP&L and 959 Ameren customers remained without power in Missouri.

<http://outagemap.kcpl.com/external/default.html>

<https://twitter.com/KCPLConnect>

<http://apps.ameren.com/outage/OutageMap.aspx?state=MO>

Update: Entergy's 951 MW Indian Point Nuclear Unit 2 in New York Restarts, Ramps Up to Full Power by July 8

Officials on Wednesday said unit 2 at Entergy's Indian Point nuclear plant automatically shut down during testing of electrical systems. The cause of Wednesday morning's shutdown was being investigated but Entergy said the shutdown occurred as workers were testing electrical systems that are designed to automatically shut down the reactor if needed. It says no radioactivity was released and public safety was not affected.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Reuters, 1:17 July 6, 2016

Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York Ramps Up to 85 Percent by July 8

On the morning of July 7 the unit was operating at 20 percent after restarting on July 7. The unit shut from full power on June 24 due to degradation of the reactor recirculation pumps.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160627en.html>

Update: Exelon's 855 MW Quad Cities Nuclear Unit 2 in Illinois at Full Power by July 8

On the morning of July 7 the unit was operating at 87 percent, reduced from full power on July 6.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

CDWR's 933 MW Hyatt-Thermalito Hydro Unit in California Reduced by July 7

The unit entered an unplanned curtailment of 230 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201607071515.html>

SCE's 525 MW Mountainview Gas-fired Unit 3 in California Reduced by July 7

The unit entered an unplanned curtailment of 285 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201607071515.html>

Mesquite Solar 1, LLC's 155 MW Mesquite Solar 1 Solar Unit in California Shut by July 7

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201607071515.html>

Exelon Notifies PJM of Plans to Close Its 2,019 MW Quad Cities Generating Station in Illinois on June 1, 2018

Exelon Generation formally notified grid operator PJM Interconnection of its plans to retire the Quad Cities Nuclear Generating Station on June 1, 2018, due to lack of progress on Illinois energy legislation. This is the latest of several procedural notifications Exelon is required to make prior to retiring Quad Cities.

<http://www.exeloncorp.com/newsroom/pjm-retirement-notification>

Petroleum

Valero Reports Emissions at Its 205,000 b/d Corpus Christi East, Texas Refinery July 8

Valero reported emissions when the pilot flame was lost at its Corpus Christi East, Texas refinery, according to a filing with the Texas Commission on Environmental Quality. The pilot flame was reestablished and normal operations returned.

Reuters, 15:28 July 8, 2016

Update: FCCU at PBF's 192,500 b/d Chalmette, Louisiana Refinery Returns to Normal Operations July 7 – Sources

The main fluid catalytic cracking unit (FCCU) at PBF Energy's Chalmette, Louisiana refinery returned to normal production on Thursday afternoon, sources familiar with plant operations said. The 68,000 b/d FCCU was knocked out of production on Tuesday by a valve failure, the sources said. The valve was repaired by Wednesday and the refinery started bringing the FCCU back to normal operation on Wednesday afternoon.

Reuters, 10:06 July 7, 2016

Update: Production at Valero's 190,000 b/d Memphis, Tennessee Refinery May Rise on Reformer Restart – Sources

Valero Energy Corp may boost production to full capacity over the weekend at its Memphis, Tennessee refinery if the restart of a reformer finishes as planned, sources familiar with plant operations said on Thursday. The restart of the 36,000 b/d continuous catalytic regeneration reformer is expected to be completed by the weekend, the sources said. Valero plans to increase refinery production from 60 percent of capacity, where it has been since the reformer was shut on June 23, following the reformer's restart.

Reuters, 6:31 July 7, 2016

Valero Starts Crude Topping Unit at Its 100,000 b/d Houston, Texas Refinery July 8

Valero Energy Corp started operations on a 90,000 b/d crude topping unit at its Houston, Texas refinery a company spokeswoman said on Friday. The company did not say when the unit started operations, but it was slated to be running by the end of June. The topping unit will increase light crude processing capabilities at the refinery

Reuters, 3:37 July 8, 2016

U.S. Oil Drillers Add 10 Rigs July 8 – Baker Hughes

Drillers added 10 oil rigs in the week to July 8, bringing the total rig count up to 351, compared with 645 one year ago, energy services firm Baker Hughes said.

Reuters, 1:14 July 8, 2016

Natural Gas

Update: Destin Increases MP260 Platform Gas Flow Nominations to 330 MMcf/d July 7; Enterprise's 1.5 Bcf/d Pascagoula Gas Processing Plant in Mississippi Remains Shut

Destin Pipeline Co on Thursday said offshore Destin delivery limit into the Viosca Knoll Gathering system (VKGS) from MP260 (platform) was increased to 330 MMcf/d for gas day 8. Destin said Enterprise Products Partners LP's Pascagoula plant remains unable to process natural gas after a fire at the facility on June 27. On June 27, Destin declared a force majeure event due to Enterprise's inability to process gas at the plant and said it was unable to provide gas transportation service from all of its offshore receipt locations. The 225-mile Destin gas pipeline system can carry 1.2 Bcf/d from offshore producers to the Pascagoula plant, and then further north to interconnections with six major interstate gas transmission lines. The VKGS is capable of delivering approximately 600 MMcf/d of gas into the facilities of a number of major onshore interstate pipelines.

<https://bp.trellisenergy.com/ptms/home.do>

Update: Minor Leak Repaired at SoCalGas' 86 Bcf Aliso Canyon Storage Facility in California July 7

Officials said a minor leak discovered over the weekend at Southern California Gas Co.'s (SoCalGas) Aliso Canyon natural gas storage facility has been fixed. The leak in a pipeline near a well called SS10 was discovered Saturday during a routine inspection and was repaired shortly after it was discovered. SoCalGas contacted state and local regulators and agencies, while officials from the South Coast Air Quality Management District and the state's Division of Oil, Gas & Geothermal Resources came to the site and investigated the leak. The state's Department of Emergency Services also issued a hazardous materials spill notice on the leak. In late October 2015, SoCalGas, a unit of Sempra Energy, discovered a leak at one of 115 wells at its Aliso Canyon facility. The leak was sealed on February 18, 2016.

<https://w3.calema.ca.gov/operational/mal haz.nsf/992ff124c3ac73c9882563ae00756c70/698412e1e43085b488257fe40072f99c?OpenDocument>

<http://www.bizjournals.com/losangeles/news/2016/07/07/minor-leak-at-socialgas-aliso-canyon-facility.html?ana=yahoo>

PG&E Closes Its McDonald Island Gas Storage Facility in California after Finding Leaks July 7

Pacific Gas and Electric Co. (PG&E) temporarily closed its McDonald Island facility in the Sacramento-San Joaquin River Delta after finding small leaks of the flammable fuel. PG&E had trouble isolating the exact sources of the leaks, which range from 236 to 763 kilograms of gas per hour, and closed the McDonald Island facility as a result, according to the state's oil and gas regulatory agency. In a letter to PG&E, the supervisor of California's Division of Oil, Gas and Geothermal Resources, called the amount of gas leaking from McDonald Island "similar to or only slightly above background levels at natural gas storage facilities." The storage field, which includes 87 wells on a man-made island, lies several miles from the nearest town, according to PG&E, and the leaks pose no danger to public health or the environment.

<http://www.sfgate.com/business/article/PG-E-closes-gas-storage-field-in-Delta-after-8346829.php>

<http://www.conservation.ca.gov/dog/Documents/State%20Oil%20and%20Gas%20Supervisor%27s%20letter%20to%20PGE%206-30-16.pdf>

Other News

Nothing to report.

International News

Militants Blow up Oil Pipelines in Nigeria's Southern Niger Delta

Militants launched a new round of attacks on oil pipelines in Nigeria's southern Niger Delta energy hub belonging to Eni and Aiteo, Nigerian security forces, Eni, and a militant group said. The attacks are the latest in a series targeting oil and gas facilities in the country's Niger Delta region over the last few months, which briefly pushed oil production this spring to 30-year lows. The renewed violence could further cut into exports that were depressed as a result of infrastructure damage, underscoring the serious security threat to the oil production on which Nigeria relies for around 70 percent of its revenue. Niger Delta Avengers, the group that has carried out most of the attacks, said on its website that it blew up the Nembe 1, 2, and 3 trunklines in Bayelsa and Rivers states which is owned by the Aiteo group. A spokesman for Eni confirmed that a separate attack on a crude pipeline in Bayelsa state, operated through its subsidiary, Nigerian Agip Oil Company, had taken place. No group has claimed responsibility for that attack. The company said the impact on the group's equity production was 4,000 barrels of oil equivalent per day. The 600,000 b/d Nembe Creek Trunk Line (NCTL) pipeline moves Bonny Light crude oil to the export terminal. On Thursday, Shell lifted a force majeure on Bonny Light that had been in place since early May following the closure of the NCTL for repairs. A total of 240,000 b/d of exports had been planned for July. Eni's Brass River crude remained under force majeure declared after previous attacks, but it has been exporting crude oil even as the force majeure was in place. Libya's Oil Minister on Friday said production, which was 2.2 million b/d at the start of the year, stood at 1.9 million b/d. He also said repair work on the pipeline feeding Forcados crude oil to the export terminal was expected to be completed at the end of July. The pipeline—operated by SPDC, a local affiliate of Shell—has been under force majeure since February 21, a week after a leak forced a halt to loadings to the export platform. The Avengers said they attacked the pipeline, causing the leak.

Reuters, 9:55 July 8, 2016

Update: Libya to Resume Oil Exports from Es Sider, Ras Lanuf Ports within One Week July 7 – Petroleum Guards Commander

Libya will resume crude exports from two of its biggest oil ports, Es Sider and Ras Lanuf, within one week after clashes that forced Islamic State militants to pull out of the area, according to the commander of the petroleum guards in the region. The exports will be under the authority of the Tripoli-based Government of National Accord, which is seeking to reunify the divided country. Libya pumped an average of about 330,000 b/d this year down from 1.6 million b/d in 2011.

http://www.rigzone.com/news/oil_gas/a/145512/Libya_to_Resume_Oil_Exports_From_Biggest_Ports_Within_a_Week

Venezuelan Crude Exports to U.S. Fall 14 Percent in June – Trade Sources, Data

Venezuelan crude oil sales to the U.S. fell 14 percent in June compared with the previous month amid lower purchases of diluents by state-run PDVSA to formulate exportable blends, according to trade sources and Thomson Reuters Trade Flows data on Thursday. Venezuela's PDVSA has been importing oil and naphtha in recent years to dilute its extra heavy oil output and create crude blends that can be sent to its customers in the U.S. and other countries. Payment problems have caused delays to discharge tankers carrying imported crude and products in recent months, which adds to Venezuela's declining crude production. PDVSA sent 652,730 b/d of crude to the U.S. in June in 39 cargoes, according to the data. Phillips 66 was the largest receiver, followed by PDVSA's refining arm Citgo Petroleum. Venezuela's crude output fell by 120,300 b/d to 2.37 million b/d in May, according to data reported to OPEC.

http://www.downstreamtoday.com/news/article.aspx?a_id=52706

Energy Prices

U.S. Oil and Gas Prices			
July 8, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	45.32	48.55	51.56
NATURAL GAS Henry Hub \$/Million Btu	2.86	2.90	2.73

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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