



ENERGY ASSURANCE DAILY

Tuesday Evening, July 09, 2013

Electricity

Heavy Rains Damage Substations, Knock Out Power to 400-500,000 Hydro One Customers in Toronto July 8

Hydro One reported heavy rain in the Greater Toronto Area Monday night caused severe flooding at its Richview and Manby Transmission Stations, causing widespread outages in the region. At its peak approximately 400 - 500,000 customers in the area were affected by the Hydro One outage. Hydro One crews worked overnight to restore power to approximately 90 percent of customers that were impacted by power interruptions. Crews were dispatched to respond to flooding and were required to make the stations safe before proceeding with restoration work. At the Richview Transmission Station, all water had been removed from the building as of Tuesday morning and repairs had begun on equipment that was impacted by flooding. At the Manby Transmission Station, Hydro One crews were still working to remove significant volumes of water from the facility in order to start needed repairs. Hydro One reconfigured its Toronto area electricity system to restore power to as many people as possible. For this reason, the system had not yet been stabilized by Tuesday morning and the utility warned that additional outages were possible. Hydro One asked that customers to conserve electricity and consider powering down heavy equipment such as air conditioners in order to reduce strain on the local system. Hydro One had reduced outages to 20,000 customers by this afternoon but had to involuntarily remove supply from another 30,000 customers in order to stabilize its system. Hydro One has advised power is expected to be restored by tomorrow morning.

http://www.hydroone.com/OurCompany/MediaCentre/Pages/PowerRestorationUpdate_July9_730AM.aspx
<http://www.newswire.ca/en/story/1196397/50-000-customers-now-without-power>

Sodium Hypochlorite Leak Reported at FPL's 1,678 MW Saint Lucie Nuclear Power Plant in Florida July 8

A leak on the ground of greater than the limit of 109 gallons of 11% Sodium Hypochlorite was reported to the National Response Center. The leak is currently active with approximately 200 gallons spilled and is being routed to an approved injection point.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130709en.html>

Update: Entergy's 510 MW Vermont Yankee Nuclear Unit in Vermont at Full Power by July 9

The unit had been reduced to 53 percent according July 8 for turbine valve testing and rod pattern adjustment.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

TVA's 1,118 MW Browns Ferry Nuclear Unit 2 in Alabama Reduced to 41 Percent by July 9

On the morning of July 8 the unit was operating at full power according to the Nuclear Regulatory Commission.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Blythe Energy, LLC's 493 MW Blythe Energy Center Gas-fired Unit in California Reduced by July 8

The unit entered an unplanned curtailment of 253 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201307081515.html>

Sharyland Utilities and EET Propose 345 kV Transmission Line for Rio Grande Valley in Texas

Two Texas transmission companies plan to build a 100-mile, 345-kilovolt high-voltage line to improve electric service in Brownsville and the Lower Rio Grande Valley in Texas. Sharyland Utilities LP and Electric Transmission Texas LLC (ETT) filed a joint application seeking approval from the Texas Public Utility Commission to construct the Cross Valley Project with an estimated completion date of summer 2016.

<http://www.reuters.com/article/2013/07/08/utilities-texas-transmission-idUSL1NOFE1XF20130708?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

FirstEnergy to Deactivate 2,080 MW of Coal-fired Capacity by Shutting Its Hatfields Ferry and Mitchell Power Stations in Pennsylvania by October 9

FirstEnergy Corp. announced today that it expects to deactivate two coal-fired power plants located in Pennsylvania by October 9, 2013. The decision is based on the cost of compliance with current and future environmental regulations in conjunction with the continued low market price for electricity. The plants scheduled to be deactivated are Hatfield's Ferry Power Station in Masontown, Pa., and Mitchell Power Station in Courtney, Pa. The total capacity of these plants is 2,080 MW, representing approximately 10 percent of the company's total generating capacity.

https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/firstenergy-to-deactivate-two-coal-fired-power-plants-in-pennsyl.html

HECO to Deactivate 226 MW of Oil-fired Generation in Hawaii by 2016

Hawaiian Electric Company (HECO) announced it will deactivate total of 226 MW of older, less efficient oil-fired generating units—more than 14 percent of utility-owned generation—by 2016. This includes Honolulu Power Plant and two of four units at Maui's Kahului Power Plant by 2014, as well as two generators at Oahu's Wai'au Power Plant by 2016. It also includes Hawaii Island's Shipman plant, which has already been deactivated and will be retired in 2014. Further, all units at Kahului Power Plant would be fully retired by 2019. HECO plans to replace the deactivated generation by accelerating development of utility-scale renewable energy projects, including solar and wind; converting or replacing generating units, which have not been deactivated, to use cost-effective, cleaner fuels, including renewable biomass or biofuel and liquefied natural gas; and increasing the capability of utility grids to accept additional customer-sited renewable generation, especially roof-top photovoltaic systems.

<http://www.hawaiianelectric.com/portal/site/heco/menuitem.508576f78baa14340b4c0610c510b1ca/?vgnnextoid=b27fc62259c9f310VgnVCM1000005041aacRCRD&cpsexcurrchannel=1>

San Diego County Water Authority, City of San Diego to Assess Potential for 500 MW Hydroelectric Plant at San Vicente Reservoir

The San Diego County Water Authority, in partnership with the city of San Diego, is preparing to assess the potential for a major hydroelectric power project at San Vicente Reservoir to boost the region's local energy supply now that the San Onofre Nuclear Generating Station is permanently offline. The proposed pumped storage project could generate up to 500 megawatts.

<http://www.sdcwa.org/water-authority-explores-major-hydropower-project-san-vicente-reservoir>

Arkansas River Power Authority to Close 43 MW Lamar Coal-fired Power Plant in Colorado After Settlement Involving Clean Air Act Violations

The Arkansas River Power Authority will close their coal-fired power plant in Lamar, Colorado and send \$125,000 to clean energy projects in southeastern Colorado in an agreement with WildEarth Guardians July 2. The settlement resolves two enforcement lawsuits which claim the utility allegedly violated the Clean Air Act at their coal-fired power plant. The 43 MW plant was constructed in 2009 after the Authority converted its natural gas-fired power plant to coal.

http://www.wildearthguardians.org/site/News2?page=NewsArticle&id=8663&news_iv_ctrl=1194

Petroleum

Pump Upgrades on Enbridge's Canadian Pipeline System Will Take Three Years

Enbridge will need three years to perform upgrades to 117 of its Canadian pump stations to comply with National Energy Board regulations. The three-year timeline was needed to carefully consider "the impacts of installing this equipment on the system, while at the same time ensuring that the proper designs, protocols and procedures are developed," according to the company.

http://www.downstreamtoday.com/news/article.aspx?a_id=40016

Exxon's 149,500 b/d Torrance, California Refinery Operating Normally After Flaring July 8

Exxon Mobil Corp's Los Angeles area refinery was operating normally Tuesday following reported emissions and a flare event lasting less than four hours due to equipment breakdown Monday morning. The company said the malfunction would not affect production from the refinery.

<http://www.nasdaq.com/article/refinery-status-tesoro-plans-flare-event-at-carson-calif-refinery-20130709-00826>

Reuters,13:16 July 9, 2013

CO Limits Exceeded on Wet Gas Scrubber at Valero's 310,000 b/d Port Arthur Refinery in Texas July 7

According to a filing with the Texas Commission of Environmental Quality, carbon monoxide limits were exceeded on the wet gas scrubber during start up while the unit was on torch oil. Operations brought the unit up later that night.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=185219>

Natural Gas

Exxon, Imperial JV Apply for License to Export 30 mtpa of LNG from Proposed LNG Liquefaction and Export Facility in British Columbia

Imperial Oil Resources Limited and ExxonMobil Canada Ltd., under the jointly owned affiliate WCC LNG Ltd., filed an application yesterday with the National Energy Board (NEB) for approval to export liquefied natural gas (LNG) from a proposed LNG terminal on the west coast of British Columbia. The request to the NEB is for authorization to export up to 30 million tonnes per annum (mtpa) of LNG for 25 years. A number of prospective sites for a natural gas liquefaction plant and LNG storage and marine loading facilities are under assessment, and include locations in the vicinity of either the Kitimat or Prince Rupert areas of British Columbia. Although developers hope to ultimately export up to 30 mtpa, the initial design capacity is anticipated to be 10 mtpa to 15 mtpa. Exports would begin in about 2021 to 2023, pending regulatory approvals, and the remaining trains would be commissioned successively afterward. Imperial and ExxonMobil are in the early stages of project assessment and planning. Further regulatory reviews and approvals would be required prior to making a final investment decision.

http://www.imperialoil.ca/Canada-English/operations_ngas_export.aspx

Pacific NorthWest LNG Applies for License to Export Nearly 20 mtpa of LNG from Proposed LNG Liquefaction and Export Facility in British Columbia

Pacific NorthWest LNG, a subsidiary of Malaysia's PETRONAS, on Friday announced it has applied to Canada's National Energy Board for a license to export up to 19.68 million tonnes per annum (mtpa) of liquefied natural gas (LNG) from an export facility it plans to build at the north end of British Columbia's Pacific Coast. The requested license would permit the company to export LNG for 25 years beginning in 2019. Pacific NorthWest LNG is planning to build an LNG export facility on Lelu Island in Port Edward, near Prince Rupert, British Columbia. The proposed facility will comprise an initial development of two LNG trains of approximately 6 mtpa each, and a subsequent development of a third train of approximately 6 mtpa. The proposed facility would liquefy and export natural gas produced by Progress Energy Canada in northeastern British Columbia. Petronas said it expects to make a final decision on whether to build its Pacific NorthWest LNG project by the end of next year.

<http://www.reuters.com/article/2013/07/05/petronas-lng-license-idUSL2N0FB14B20130705?feedType=RSS&feedName=marketsNews&rpc=43>

<http://pacificnorthwestlng.com/2013/07/pacific-northwest-lng-applies-for-export-license>

Equipment Failure Shuts Atlas' 200 MMcf/d Driver Gas Plant in Texas July 9

Driver gas plant shut down due to a fault in the programmable logic controller which would not allow proper calibration of the trim reboiler heater fuel gas regulator. Gas was being diverted to the Midkiff Gas Plant and flaring was being done to reduce emissions.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=185217>

Other News

Nothing to report.

International News

Kashagan Oil Field in Kazakhstan Begins Start-up July 7

Kashagan oil field in Kazakhstan has begun to start up, according to a company statement on Sunday. Due to the large size and complexity of the project, the start-up of oil production at Kashagan still requires a long sequence of steps, progressively ramping oil output. The company expects the field to produce 75,000 b/d in its first month of operation which will gradually increase over the next two years to 180,000 b/d in the first stage, and then to 370,000 b/d in the second stage of development. The company did not say when the first oil would begin flowing from the field. Kashagan is a joint venture between Kazakh state energy company KazMunaiGaz, Eni, ExxonMobil Corp., Royal Dutch Shell PLC, France's Total SA, ConocoPhillips, and Japan's Inpex.

<http://online.wsj.com/article/BT-CO-20130630-700771.html>

<http://www.ncoc.kz/en/mediacentre/news.aspx>

Bombing of Natural Gas Pipeline in Sinai Peninsula in Egypt Disrupts Flows to Jordan July 7

Militants were suspected of bombing two points on a natural gas pipeline on the Sinai Peninsula in Egypt on Sunday. The attacks started fires which disrupted the flow of gas from Egypt to Jordan. It was the first attack on Egypt's natural gas pipelines in Sinai in over a year although the pipeline has come under attack more than a dozen times in the previous two years.

http://www.downstreamtoday.com/news/article.aspx?a_id=40010

Energy Prices

U.S. Oil and Gas Prices			
July 9, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	102.97	98.87	85.52
NATURAL GAS			
Henry Hub \$/Million Btu	3.69	3.65	2.94

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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