



ENERGY ASSURANCE DAILY

Monday Evening, July 11, 2016

Major Developments

Severe Thunderstorms Knock Out Power to Over 388,000 Customers in North Carolina, South Carolina July 8

Severe thunderstorms producing high winds knocked out power to at least 388,322 customers across North Carolina and South Carolina on Friday night with some impacts lingering into Monday. Straight line winds with 60 mph gusts downed trees and powerlines across western and central North Carolina and upstate South Carolina. As of 3:30 p.m. EDT Monday, 5,951 customers remained without power. Duke Energy, the hardest hit utility with approximately 350,000 customers that lost power at some point during the storm, said it expects to restore power by 11:45 p.m. EDT Monday, though some isolated outages may require additional repair time due to customer-owned electrical equipment damage, including meter boxes. The table below shows total affected customers and the latest reported outages by utility. The “Affected” column shows the total count of customers that lost power at one point or another over the course of the storm for each utility. These outages may not have occurred concurrently and are not the same as peak outages.

North Carolina Customer Power Outages			
July 8–11, 2016			
Electric Utility	State	Affected	Latest Reported
Duke Energy	NC/SC	350,000	5,425
Blue Ridge Electric	NC	18,000	74
Energy United	NC	10,000	29
Surry-Yadkin Electric Membership Corporation	NC	3,000	0
Lumbee River Electric Membership Corporation	NC	2,000	337
South Carolina Electric & Gas Co	SC	5,322	86
TOTAL*		388,322	5,951

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

Sources:

- <http://news.duke-energy.com/releases/more-than-1-000-technicians-working-to-restore-power-to-24-000-remaining-duke-energy-customers-impacted-by-severe-storm>
- <http://outagemap.duke-energy.com/ncsc/default.html>
- <https://www.blueridgeemc.com/article-details?id=403>
- <http://bremco.maps.sienatech.com/>
- <https://www.energyunited.com/wp-content/uploads/ENERGYUNITED-RESPONDS-TO-SEVERE-WEATHER-OUTAGES.pdf>
- <https://www.facebook.com/syemc/posts/1216982645008676>
- <https://www.facebook.com/LumbeeRiverEMC/posts/937088579769702>
- <http://outages.lumbeeriver.com/>
- <https://www.sceg.com/outages-emergencies/power-outages/outage-map>
- <http://www.postandcourier.com/20160709/160709481/thousands-without-power-in-west-ashley-after-strong-winds-knock-down-trees>

Two Storms Knock Out Power to 140,000 Customers in Michigan July 7–8

Two waves of storms with wind gusts up to 65 mph moved through southeast Michigan beginning late Thursday night and into Friday night, knocking out power to at least 140,000 customers. As of 3:30 p.m. EDT Monday, 337 customers remained without power. DTE Energy, the hardest hit utility with 120,000 customer outages, said the majority of those outages occurred Friday evening. As of 6:00 a.m. EDT Saturday, DTE repair crews had restored power to about 45,000 customers. The table below shows total affected customers and the latest reported outages by utility. The “Affected” column shows the total count of customers that lost power at one point or another over the course of the storm for each utility. These outages may not have occurred concurrently and are not the same as peak outages.

Michigan Customer Power Outages			
July 7–11, 2016			
Electric Utility	State	Affected	Latest Reported
DTE	MI	120,000	150
LBWL	MI	10,000	132
Great Lakes Energy	MI	10,000	55
TOTAL*		140,000	337

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

Sources:

<https://www.facebook.com/dteenergy>

<https://www.newlook.dteenergy.com/wps/wcm/connect/dte-web/home/problems-and-safety-landing/residential/outage/outage-map>

<https://www.lbwl.com/outagecenter/>

<https://www.facebook.com/LansingBWL>

<http://www.gtlakes.com/storm-central/>

<https://www.facebook.com/greatlakesenergy>

http://www.shorelinemedia.net/dte-energy-says-without-power-in-detroit-area/article_6bff9f03-25fc-5180-b485-f4081da7a091.html

<http://www.lansingstatejournal.com/story/news/local/2016/07/09/more-than-11500-still-without-power/86894404/>

Rain Storms Knock Out Power to Over 50,000 Hydro One Customers in Ontario July 8

Heavy rain storms knocked out power to over 50,000 Hydro One customers in southern and central Ontario Friday night. Lightning caused the majority of damage resulting in outages, according to the utility. As of 3:30 p.m. EDT Monday, 1,413 customers remained without power.

<https://twitter.com/HydroOne>

<http://www.hydroone.com/StormCenter3/>

<http://www.cp24.com/news/thousands-without-power-in-central-and-southern-ontario-after-storm-1.2980136>

Strong Storms Knock Out Power to Over 22,000 Oncor Customers in Texas July 9

Strong storms producing heavy rain and high winds knocked out power to at least 22,000 Oncor customers in Texas on Saturday afternoon. Oncor’s Area Manager said there was heavy and widespread damage, including 15 damaged feeders throughout the region. As of 3:30 p.m. EDT Monday, 2,028 customers remained without power.

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

<http://heralddemocrat.com/news/local/heavy-rain-leads-flooding-power-outages>

MLGW Reports 20,000 Customers Briefly without Power Due to Substation Fire in Tennessee July 11

MLGW reported a fire broke out around 12:30 a.m. CDT on Monday in a substation in Arlington, Tennessee, knocking out power to 20,000 customers. Shelby County firefighters put out the fire within one hour and power was fully restored by 4:10 a.m. CDT Monday.

<http://azimuth.mlgw.org/OutageSummary.php>

<https://twitter.com/MLGW>

<http://www.fox13memphis.com/news/power-restored-to-thousands-after-fire-at-mlgw-substation-/395996263>

NV Power Reports Over 13,000 Customers without Power in Nevada Due to Transformer Problem, Equipment Failure July 10

NV Energy on Sunday evening reported 13,493 customers were without power in the Summerlin area. The causes of the outage include a transformer problem and equipment failure, according to the utility. Power was fully restored by 8:00 p.m. PDT on Sunday.

<https://www.nvenergy.com/outage/>

<http://news3lv.com/news/local/over-13000-without-power-in-summerlin>

Exelon's 1,154 MW Braidwood Nuclear Unit 2 in Illinois Reduced to 90 Percent by July 11

On the morning of July 10 the unit was operating at full power.

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

AES's 175 MW Alamosa Gas-fired Unit 2 in California Shut by July 10

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201607101515.html>

RRI Energy's 320 MW Etiwanda Gas-fired Unit 3 in California Shut by July 9

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201607091515.html>

Petroleum

PES Reports Upset at Its 335,000 b/d Philadelphia, Pennsylvania Refinery July 5

Philadelphia Energy Solutions (PES) reported excess emissions due to an "upset on V211 MDEA contactor" in the "PB fuel system unit" at the Point Breeze section of its Philadelphia refinery on July 5, according to a filing with state pollution regulator made public on Friday.

Reuters, 16:11 July 8, 2016

Update: LyondellBasell Prepares Coker for Restart at Its 263,776 b/d Houston, Texas Refinery July 10 – Sources

LyondellBasell Industries on Sunday was preparing the small coking unit at its Houston, Texas refinery for restart, said sources familiar with plant operations. The 42,000 b/d coker is expected to return to normal operation by July 16, the sources said. The coker has been shut since an April 8 fire, which led to extensive repairs of piping on the unit.

Reuters, 18:59 July 10, 2016

Valero Reports ESP Malfunction at Its 168,000 b/d McKee, Texas Refinery July 8

Valero Energy Corp reported an excess opacity event on July 7 due to high ambient temperatures, according to a filing with the Texas Commission on Environmental Quality. This caused a trip of the air conditioning system where the Electrostatic Precipitator (ESP) controls are located and an ESP field was shut. Valero reported it restored cooling to the ESP.

Reuters, 17:11 July 8, 2016

EnLink Midstream Launches Open Season for Its Greater Chickadee Crude Oil Gathering System in Texas July 11

A subsidiary of EnLink Midstream Partners will launch a binding open season for volume commitments for common carrier transportation service on its new Greater Chickadee crude oil gathering system with origin points in Upton and Midland counties in Texas and destination points at two terminals in Midland County, Texas. The design capacity of Greater Chickadee will be determined based upon the level of interest shown by potential committed shippers during the open season, which closes on August 10.

<http://enlk.enlink.com/investor/investor-news/investor-news-details/2016/EnLink-Midstream-Launches-Open-Season-for-Greater-Chickadee-Crude-Oil-Gathering-System-in-the-Permian-Basin/default.aspx>

Update: PG&E Says No Threat to Natural Gas Reliability, Operations to Resume by September at Its 82 Bcf McDonald Island Storage Facility in California July 8

Pacific Gas & Electric (PG&E) said on Friday it has enough gas in storage elsewhere to meet customer needs while its McDonald Island storage facility in San Joaquin County remains out of service, and that it hopes to resume withdrawals and injections at the underground field by September. The company temporarily shut the field after detecting small methane leaks from some of its wells in June. PG&E discovered several small leaks, which pose no risk to public safety, the environment, or reliability, after the state required all facilities undergo emergency inspections following the storage leak at Southern California Gas Co.'s 86 Bcf Aliso Canyon storage field. PG&E is required to test all 87 wells at the facility, and said it has identified 10 wells with detectable methane emissions, two of which have been isolated from the reservoir as of June 30, according to the letter to California's Division of Oil, Gas and Geothermal Resources. State and PG&E officials determined the McDonald Island leaks range between 236 kilograms per hour (kg/hr) to 763 kg/hr, which state regulators said in a June 30 letter to PG&E was "similar to or only slightly above background levels at natural gas storage facilities." For reference, the massive leak at the Aliso Canyon field peaked at approximately 60,000 kg/hr.

Reuters, 18:32 July 8, 2016

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

Update: Destin Increases MP260 Platform Gas Flow Nominations to 400 MMcf/d July 10; Enterprise's 1.5 Bcf/d Pascagoula Gas Processing Plant in Mississippi Remains Shut

Destin Pipeline Co on Sunday said it had completed modification work to the Viosca Knoll Gathering system (VKGS) meters at MP260 and will accept nominations beginning July 11 for total gas flows from MP260 up to a capacity to 400 MMcf/d. The company also said the MP261JP platform delivery option was estimated to be available on July 12. 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/public/infopost/viewNotices.do?noticeCategoryId=308201&tspId=1&proxyTspId=1&menuId=menu-info-posting-notices-critical>

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

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas July 10

Regency reported the acid gas injector (AGI) compressor shut on high suction temperature and scrubber level, hot valves, and a reflux fan motor. The fan motor was repaired and replaced.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=237205>

Southern Company Acquires 50 Percent Equity in Southern Natural Gas Pipeline in Southeast U.S. July 11

Southern Company has agreed to acquire a 50 percent equity interest in Kinder Morgan's Southern Natural Gas pipeline system for roughly \$1.47 billion. The pipeline is a 7,600-mile pipeline system connecting natural gas supply basins in Texas, Louisiana, Mississippi, Alabama, and the Gulf of Mexico to markets in Louisiana, Mississippi, Alabama, Florida, Georgia, South Carolina and Tennessee. In addition, it is a principal transporter of natural gas to Alabama, Georgia and South Carolina. Kinder Morgan will continue to operate the system and the transaction is expected to close during the third quarter or fourth quarter of 2016.

Reuters, 07:00 July 11, 2016

Other News

Nothing to report.

International News

Crude Pipeline Leak Repaired, Export Loadings Resume at Port of Basra in Iraq July 11

An oil pipeline leak at Iraq's southern port of Basra has been repaired and pumping resumed without affecting exports, the Iraqi oil ministry said on Monday. The ministry suspended Basra Light crude oil loading on Sunday at two export terminals after a pipeline leak on Sunday, four shipping and trade sources said on Monday. One of the sources said the suspension at the Basra Oil Terminal and the smaller Khor al-Amaya terminal took place on Sunday and there were 15 Very Large Crude Carriers (VLCCs) and Suezmax tankers in the queue. A VLCC can load up to 2 million barrels and a Suezmax has capacity of 1 million barrels.

Reuters, 07:36 July 11, 2016

Reuters, 06:56 July 11, 2016

Nigeria's TNP Bonny Light Export Pipeline Shut Down, Cause Unknown – Source

Nigeria's Trans Niger Pipeline (TNP), one of two major pipelines that carries Bonny Light crude for export, was shut down on Monday, an industry source familiar with the matter said, however; neither the cause of the shutdown, nor any impact on production was known at the time. Shell, which operates the Bonny Light export terminal through its local affiliate SPDC, could not immediately be reached for comment. The other major pipeline transporting Bonny Light to port, the Nembe Creek Trunk Line (NCTL), was operating normally, several industry sources said.

Reuters, 11:29:56 July 11, 2016

Energy Prices

U.S. Oil and Gas Prices			
July 11, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	44.68	48.55	52.69
\$/Barrel			
NATURAL GAS			
Henry Hub	2.77	2.90	2.68
\$/Million Btu			

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.

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Please direct comments and questions to: ead@oe.netl.doe.gov