



ENERGY ASSURANCE DAILY

Thursday Evening, July 23, 2015

Electricity

HECO Reports Power Restored to 57,000 Customers in Oahu after Unplanned Outage at AES' 180 MW Hawaii Coal-fired Power Plant July 22

Hawaiian Electric (HECO) reported 57,000 customers were without power on Wednesday after an unplanned outage occurred at AES' 180 MW Hawaii coal-fired power plant in Oahu. At approximately 11:23 a.m. HST, HECO briefly shut off power to customers in different sections of the island, but service was restored to most affected customers shortly before noon. HECO said the targeted emergency outages were necessary to avoid a more widespread outage or damage to the electric system from an imbalance of supply and demand. It is not clear how long the power plant will be out of service, but HECO says other plants will supply sufficient generation while the plant is being repaired. No additional blackouts were expected.

<http://www.hawaiianelectric.com/heco/hidden/Hidden/CorpComm/Loss-of-power-generator-causes-brief-Oahu-outages>

<http://khon2.com/2015/07/22/no-additional-blackouts-expected-after-oahu-power-plant-goes-down/>

Substation Fire Knocks Out Power to Over 11,000 DTE Energy Customers in Michigan July 23

DTE Energy reported 11,701 customers in Troy and Clawson, Michigan lost power around 8:20 a.m. EDT Thursday after a fire broke out at a substation. DTE said the fire was out by 9:30 a.m. EDT and it was assessing the damage to determine when restoration would occur. As of a 3:30 p.m. EDT, 10,368 customers remained without power.

<http://www.dteenergy.com/map/outage.html>

<http://www.wxyz.com/news/thousands-of-dte-energy-customers-without-power-in-troy>

Copper Thieves Knock Out Power to 8,400 Snohomish PUD Customers in Washington July 22

Copper thieves broke into a substation and cut copper power lines out of the ground Wednesday morning, leaving 8,400 Snohomish County Public Utility District (PUD) customers without power in Everett, Washington. That power was rerouted and restored within a half hour. Snohomish PUD said it took its Glenwood substation offline after it noticed voltage fluctuations. The company said it investigated and found that copper thieves had broken into the substation, cut ground wires, and that was the cause of the voltage fluctuation. The company said it has begun investing in security retrofits for its substations which include cameras and hardened walls.

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

<http://mynorthwest.com/11/2787840/Copper-thieves-steal-power-lines-leave-thousands-without-power-in-Everett>

Update: Dominion's 810 MW Surry Nuclear Unit 1 in Virginia at Full Power by July 23

On the morning of July 22 the unit had restarted and was operating at 20 percent. The unit tripped on July 21 during the reactor startup following a maintenance outage.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150722en.html>

Update: Dominion's 815 MW Surry Nuclear Unit 2 in Virginia Restarts, Ramps Up to 60 Percent by July 23

The unit was shut on July 14.

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

Ameren's 1,125 MW Callaway Nuclear Unit in Missouri Reduced to 50 Percent by July 23

Ameren Corp on Thursday initiated a shutdown of its Callaway nuclear power plant in Missouri following a reactor coolant system leakage, according to a filing with the Nuclear Regulatory Commission. The exact location of the leak inside the containment building could not be determined, the filing said. Radiation levels inside the containment were stable and slightly above normal. There were no releases from the plant above normal levels, the filing added.

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

Reuters, 9:56 July 23, 2015

Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Reduced to 82 Percent by July 23

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

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

SunPower to Build 100 MW Boulder Solar Power Plant for NV Energy in Nevada

SunPower announced today that it signed a 20-year power purchase agreement with NV Energy to build a 100 MW solar photovoltaic (PV) power plant in the Eldorado Valley of Boulder City, Nevada. Construction of the Boulder Solar project is anticipated to commence before the end of 2015, with commercial operation planned in 2016.

<http://newsroom.sunpower.com/2015-07-23-SunPower-to-Build-100-Megawatt-Solar-Power-Plant-for-NV-Energy>

Petroleum

Update: Plains Restarts Its Capwood Crude Oil Pipeline in Illinois after Spill

Plains All American Pipeline said on Wednesday its Capwood crude oil pipeline returned to service over the weekend following authorization from the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA), after it shut due to a July 10 spill. The 57-mile pipeline from Patoka to Wood River, Illinois, was shut after a crude oil leak at the company's Pocahontas pumping station near the border of Bond and Madison Counties in Illinois. The pumping station will remain offline as investigations continue, the company said. The PHMSA issued a "corrective action order" on July 14 mandating the shutdown of the Pocahontas pumping station.

<http://www.mp29response.com/go/doc/7294/2564921/>

Update: Nexen Pipeline May Have Been Leaking for Over Two Weeks – Executives

The 31,500 barrel emulsion spill south of Fort McMurray, Alberta may have gone undetected by an automated monitoring system for more than two weeks, Nexen Energy executives say. The leak was discovered on July 15 by a worker at the Long Lake oil sands project, but Nexen revealed on Wednesday that the leak may have started as early as June 29 when the line was restarted after a cleaning operation. The company's computerized monitoring system failed to detect the breach and the exact time and cause of the spill is still under investigation. Infrastructure at the site of the spill was installed on a "tight schedule," according to ITP Interpipe, the engineering firm that developed some of the pipeline's safety technology. In a June 2014 presentation to the Society of Petroleum Engineers in Calgary, the firm said that field work was completed in less than 12 months. The transported an emulsion mixture of bitumen, sand, and produced water to an upgrading plant at Long Lake. The pipeline and the Kinosis well pad have been shut down, reducing overall output by 9,000 b/d, to 41,000 b/d. Production at other well pads at Long Lake will be ramped up to help offset the loss. The investigation is expected to take months, according to a company spokesperson.

Reuters, 10:34 July 23, 2015

Reuters, 18:01 July 22, 2015

PBF Reports Flaring at Its 182,200 b/d Delaware City, Delaware Refinery July 23

PBF Energy Inc reported flaring due to over pressurization of a unit at its Delaware City, Delaware refinery.

Reuters, 22:01 July 22, 2015

Update: No Timeframe to Restart Coker at Motiva's 238,000 b/d Norco, Louisiana Refinery – Sources

No timeframe has been set for restarting the 25,000 b/d delayed coking unit at Motiva Enterprises' Norco, Louisiana, refinery, sources familiar with plant operations said on Wednesday. A Motiva spokesman said unplanned maintenance was underway at the refinery. One attempt to repair a leak in a column on the coker was unsuccessful, the sources said. The coker has been shut down since Sunday morning.

Reuters, 19:00 July 22, 2015

Update: Motiva Repairing Hydrocracker at Its 235,000 b/d Convent, Louisiana Refinery July 22 – Sources

Motiva Enterprises was repairing the only hydrocracking unit at its Convent, Louisiana, refinery, sources familiar with plant operations said on Wednesday. A Motiva spokesman said unplanned maintenance was continuing at the Convent refinery. If the repairs to the 45,000 b/d hydrocracker go as planned, the unit is expected to restart on Sunday with full production restored by July 30, said the sources. Production has been cut back by an unknown amount at the refinery since the hydrocracking unit's outage on Monday, sources said.

Reuters, 18:59 July 22, 2015

Phillips 66 Reports Upset at Its 200,000 b/d Ponca City, Oklahoma Refinery July 17

Reuters, 17:28 July 22, 2015

Valero Reports Emissions at Its 86,000 b/d Ardmore, Oklahoma Refinery July 17

Reuters, 17:27 July 22, 2015

HollyFrontier Reports Excess Emissions from FCCU Wet Gas Scrubber at Its 70,300 b/d Tulsa East, Oklahoma Refinery July 22

Reuters, 17:24 July 22, 2015

Shell Says Unplanned Work Underway at Its 100,000 b/d Scotford, Alberta Refinery July 23

Reuters, 11:44 July 23, 2015

Union Pacific Says Crude Oil Shipments Down on Lower Prices

A Union Pacific Corp executive on Thursday said crude oil shipments slid 29 percent in the second quarter of this year on lower oil prices. The company also saw frack sand shipments fall 28 percent in the quarter as oil and gas drilling declined.

<http://www.uprr.com/newsinfo/releases/financial/2015/0723-2q-earnings.shtml>

Reuters, 9:03 July 23, 2015

Shell Receives BSEE Approval for Limited Drilling Activities in Arctic Waters July 22

The Bureau of Safety and Environmental Enforcement (BSEE) on Wednesday announced that Shell received conditional approval of two Applications for Permits to Drill (APD) to conduct limited exploratory drilling activities in the Chukchi Sea offshore Alaska. Specifically, the APDs limit Shell to drilling only the top sections of wells and prohibit Shell from drilling into oil-bearing zones. Shell currently is not permitted to drill into oil-bearing zones because, to do so, BSEE requires that a capping stack be on hand and deployable within 24 hours. A capping stack is a critical piece of emergency response equipment designed to shut in a well in the unlikely event of a loss of well control. Shell's capping stack is staged on the vessel M/V Fennica, which is currently en route to Portland, Oregon, for repairs. If and when the M/V Fennica is capable of being deployed in the Chukchi Sea and Shell is able to satisfy the capping stack requirement, the company may submit an Application for Permit to Modify the APDs and request to have this restriction reconsidered. In addition to restricting Shell's ability to work in oil-bearing zones, the APDs also define limitations related to marine mammal protection consistent with requirements established by the U.S. Fish and Wildlife Service.

<http://www.bsee.gov/BSEE-Newsroom/BSEE-News-Briefs/2015/BSEE-Approves-Limited-Drilling-Activities-in-Arctic-Waters-Under-Rigorous-Safety-Requirements/>

Natural Gas

DCP Midstream Reports Turbines Shut, Flaring at Its 160 MMcf/d Goldsmith Gas Plant in Texas July 22

DCP Midstream reported its instrumentation department was performing annual emergency shutdown (ESD) checks on the cold plant inlet valve when both expanders were tripped offline causing over pressure on both turbines. The turbines went down and started a flaring event. Operators worked to get both turbines and expanders back online. After restarting the equipment the flaring event ended.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=217647>

Other News

U.S. Senators Unveil Energy Policy Modernization Act July 22

U.S. Senators Lisa Murkowski and Maria Cantwell on Wednesday formally introduced the Energy Policy Modernization Act. The Act focuses on a wide range of national energy opportunities and challenges and features five titles reflecting common ground on energy efficiency, infrastructure, supply, accountability, and land conservation. The Act builds on recent technological breakthroughs and promises to bring substantial benefits to American families and businesses while protecting the environment. Its provisions will save energy, expand domestic production, facilitate investment in critical infrastructure, protect the electrical grid, boost energy trade, improve the performance of federal agencies, and reauthorize certain programs that have proven effective. The end result will be more affordable energy, more abundant energy, and more functional energy systems that will strengthen and sustain our energy nation's renaissance. The bipartisan Energy Policy Modernization Act will also achieve these goals in a fiscally-responsible manner.

<http://www.energy.senate.gov/public/index.cfm/featured-items?ID=12405ca7-1f25-4361-916b-ddc3642cfd9a>

Reuters, 17:12 July 22, 2015

International News

Nigerian Oil Products Pipeline Shut in Southwest after Explosion

A pipeline supplying southwestern Nigeria with oil products was shut on Wednesday following an explosion around midnight, the country's emergency response agency said. The blast occurred near the town of Arepo on the edge of Lagos state as a result of a clash between groups of vandals. President Muhammadu Buhari said on Wednesday that around 250,000 b/d of the country's crude oil is stolen.

http://www.downstreamtoday.com/news/article.aspx?a_id=48502

Energy Prices

U.S. Oil and Gas Prices			
July 23, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	48.08	50.85	103.78
NATURAL GAS Henry Hub \$/Million Btu	2.89	2.92	3.79

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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