



ENERGY ASSURANCE DAILY

Thursday Evening, August 08, 2013

Electricity

18,000 We Energies Customers Remain Without Power in Wisconsin As Restoration Efforts Continue August 8

As of 4:00 p.m. EDT, 17,648 We Energies customers in Wisconsin remained without power after strong storms knocked out power to 60,000 We Energies customers overnight August 6-7. Other utilities in Wisconsin and Minnesota that were affected by the storm had restored power to all but a few customers by this afternoon. Hundreds of We Energies workers as well as supplemental crews from contractors and other utilities are working around the clock to complete restoration and the utility expects that 90 percent of its customers in the Fox Valley will have service restored by Friday evening. The remainder—in areas with most severe damage—should be restored by Saturday evening. The National Weather Service has confirmed that two tornadoes, with winds up to 90 mph, hit the Fox Valley very early Wednesday, causing major damage to We Energies electrical network and the transmission system. More than 60 poles and 500 wires were knocked down during the storm. In many cases, We Energies will need to completely rebuild much of its network.

http://weenergies.blogspot.com/2013/08/fox-valley-storm-restoration-update_8.html

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

<http://www.we-energies.com/outagemapext/default.html>

Storm Causes Loss of Power to Emergency Operations at FPL's 512 MW Point Beach Nuclear Unit 2 in Wisconsin August 7; Ramps up to Full Power August 8

On the morning of August 7 the Point Beach nuclear plant was operating at 67 percent when strong thunderstorms and high winds resulted in a loss of power to the emergency operations facility (EOF) and to alert and notification system sirens. During the loss of power to the EOF, station personnel verified that power remained available to the alternate emergency operations facility. On Wednesday morning, station personnel verified that power to the EOF was restored. On Wednesday afternoon, 9 of 14 emergency sirens returned to service which brings the percentage of population covered by the sirens below the reporting threshold. On Thursday, the unit had ramped up to full power, according to the Nuclear Regulatory Commission

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130808en.html>

Entergy's 836 MW Arkansas Nuclear Unit 1 in Arkansas Returns to Service August 8 After Extensive Restoration Efforts

Arkansas Nuclear One's (ANO's) unit 1 reconnected to the grid on Wednesday night after a major restoration effort. Prior to restarting, ANO's unit 1 required extensive restoration efforts, including damage evaluation, repairs to non-nuclear plant components, and rescheduling the unit's refueling activities. The restoration was necessary following the collapse of a contractor's crane while moving a generator stator out of the turbine building, a non-nuclear part of the plant. Unit 1 has been offline since March 24 when the plant entered its scheduled refueling outage.

http://www.entropy-nuclear.com/News_Room/newsrelease.aspx?NR_ID=2757

Alert Declared Due to Switchgear Explosion at Progress Energy's 900 MW Harris Nuclear Unit in North Carolina August 8

Progress Energy reported an explosion in a non-safety related electrical bus. Power was reduced to 92 percent due to the loss of moisture separator reheaters on the secondary side as a result of this event. The only noted safety related equipment that was impacted is the 1B emergency diesel generator which has been declared inoperable due to loss of power to associated air compressors 1C-SB and 1D-SB. There is no ongoing fire as a result of the bus explosion.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130808en.html>

Update: Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi at Full Power by August 8

On the morning of August 7 the unit was operating at 86 percent. It had been shut down on July 31 due to a reactor scram caused by a turbine generator trip, according to the Nuclear Regulatory Commission.

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

Equipment Failure at Substation Causes Overnight Power Outage for 36,000 PG&E Customers in San Francisco, California August 7-8

More than 36,000 Pacific Gas & Electric (PG&E) customers were without power in San Francisco for almost an hour overnight Wednesday, according to a PG&E spokesman. An equipment failure at a substation appeared to have been the cause of the power outage, according to the spokesman.

<http://www.ktvu.com/news/news/local/power-goes-out-overnight-36000-pge-customers-sf/nZHH8/>

Petroleum

Apache Shuts Gulf of Mexico Platform After Small Condensate Release August 6

Apache Corp. shut down an oil platform in the Grand Isle area of the Gulf of Mexico, off Louisiana, to fix a problem that caused a very small release of condensate that was estimated to be less than one ounce, according to a company spokesperson. The discharge was due to a vent boom release upon emergency shutdown device activation, according to a filing with the National Response Center.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1056294

http://www.rigzone.com/news/oil_gas/a/128287/Apache_Shuts_Platform_After_Release_into_Gulf_of_Mexico

Phillips 66 Reports Process Equipment Upset at Its 362,000 b/d Wood River, Illinois Refinery August 7

Phillips 66 reported a process equipment upset occurred Tuesday at its Wood River refinery in Roxana, Illinois, according to a filing with Illinois Emergency Management Agency. The incident led to sulfur dioxide emissions, the filing said.

Reuters, 4:14 August 8, 2013

Citgo Conducts Planned Shutdown of Catalytic Reformer at Its 429,500 b/d Lake Charles, Louisiana Refinery August 6

Citgo Petroleum Corp. said it conducted a planned shutdown of a catalytic reformer at its Lake Charles, Louisiana, refinery on Tuesday.

Reuters, 12:29 August 7, 2013

Shell Says Its 156,400 b/d Martinez, California Refinery Operating as Planned August 7 After Unit Shutdown August 4

Royal Dutch Shell Plc's Shell Oil Co.'s refinery in Martinez, California, is operating as planned after an unexpected unit shutdown on August 4, the company said on Wednesday.

Reuters, 18:26 August 7, 2013

Chevron Reports Unplanned Flaring at Its 279,000 b/d El Segundo, California Refinery August 8

Chevron Corp. reported unplanned flaring at its El Segundo, California refinery, according to a filing with the South Coast Air Quality Management District.

Reuters, 5:07 August 8, 2013

Tesoro Making Repairs After Malfunction at Its 96,000 b/d Wilmington, California Refinery August 8

Tesoro Corp. was making repairs to a unit at its Wilmington, California, refinery following a malfunction overnight, according to sources in West Coast refined products markets.

Reuters, 10:59 August 8, 2013

Inter Pipeline Fund Announces Expansion of Polaris Diluent Pipeline in Alberta to Support the Kearl Oil Sands Project August 7

Inter Pipeline Fund announced it will increase capacity on its Polaris Pipeline system in support of the phased development of the Kearl oil sands project operated by Imperial Oil Resources Ventures Limited. Under the terms of an existing 25-year ship-or-pay diluent transportation contract, Imperial holds an option to increase its firm capacity commitment on the Polaris Pipeline from 60,000 b/d currently to 120,000 b/d. Imperial has exercised its option and, accordingly, Inter Pipeline will install additional pumping capacity on the Polaris system to meet Imperial's higher diluents requirements. Inter Pipeline will utilize its existing 12-inch diameter Polaris diluent pipeline, which runs from the Edmonton area to the Kearl project north of Fort McMurray, to supply additional diluent transportation capacity. Upon completion, capacity on the Polaris 12-inch pipeline will increase to approximately 165,000 b/d to meet diluent demand from Imperial and other third party shippers. The new pump station facilities are expected to be in service by mid 2015.

<http://www.interpipelinefund.com/news/news-releases.cfm?newsReleaseAction=view&releaseId=147>

Natural Gas

Williams Transco Announces Open Season for Its Atlantis Sunrise Gas Pipeline Expansion in Eastern U.S. August 8

Williams Cos Inc.'s Transcontinental Gas Pipeline Co. (Transco) unit announced an open season that will run through September 27, to gauge interest in its Atlantis Sunrise project, a proposed expansion of its natural gas pipeline system in the eastern United States. Transco said the project would provide from 450 MMcf/d to in excess of 1 Bcf/d of firm natural gas transportation by an in-service date of July 1, 2017. Atlantic Sunrise would provide transportation capacity for growing supplies of natural gas from northern Pennsylvania along Transco's existing Leidy line to markets along the Transco system.

Reuters, 11:33 August 8, 2013

Kinder Morgan, MarkWest Announce Plans to Form Joint Venture to Support Ohio Rich-Gas Development and NGL Takeaway from Utica and Marcellus Shales August 7

Kinder Morgan Energy Partners, L.P., and MarkWest Utica EMG, L.L.C. announced they have signed a letter of intent to form a midstream joint venture to pursue two critical new projects to support producers in the Utica and Marcellus shales in Ohio, Pennsylvania, and West Virginia. The first project consists of the development of a 400 MMcf/d cryogenic processing complex in Tuscarawas County, Ohio, utilizing an existing, 220 acre site that Kinder Morgan has under option. The second project consists of the development of an initial, 200,000 b/d, C2+ natural gas liquids (NGL) pipeline that originates at the planned joint venture processing facilities in Ohio and transports NGLs to Gulf Coast fractionation facilities. The joint venture expects the initial 200 MMcf/d cryogenic processing plant to be in service by the fourth quarter of 2014 with the second 200 MMcf/d plant in-service shortly thereafter, subject to timing of customer commitments.

<http://phx.corporate-ir.net/phoenix.zhtml?c=119776&p=irol-newsArticle&ID=1845755&highlight>

Southern Union's 140 MMcf/d Keystone Gas Plant in Texas Reports Units Down August 6 and 7

Southern Union reported that on August 6, unit 23 went down and the board would not clear for a restart. Mechanics corrected the problem and unit 23 was put back on line. All other low pressure units were running at full capacity. On August 7, the emperor units went down for seven hours. The gas was backed out and all other pressure units were running at full capacity.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=186465>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=186462>

Other News

Nothing to report.

International News

Protests Against AGOCO Likely to Further Cut Libya's Oil Production

Libyan oil production is likely to drop further as workers protest Arabian Gulf Oil Company's (AGOCO's) management changes and structure. According to the vice president of the Federation of Oil Workers, union members met in the fields of Mesla, Nafoora, Sarir and Hamada, and decided to cut production in these fields at a rate of 10,000 b/d until the government responds to their demands. The decrease would hinder the government's efforts to return exports to normal following the closure of the major Es Sider and Ras Lanuf oil terminals due to strikes at the end of July. Es Sider, Amna and Sirtica terminals that produce light, sweet crude were shut on Tuesday due to full storage tanks. Shipments are down to about 425,000 b/d from earlier levels of more than 1 Mb/d.

[http://www.rigzone.com/news/oil_gas/a/128301/Libya Oil Output to Fall Further as Worker Protests Spread](http://www.rigzone.com/news/oil_gas/a/128301/Libya_Oil_Output_to_Fall_Further_as_Worker_Protests_Spread)

Energy Prices

U.S. Oil and Gas Prices			
August 8, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	102.68	107.75	94.09
NATURAL GAS Henry Hub \$/Million Btu	3.32	3.44	2.99

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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