



ENERGY ASSURANCE DAILY

Monday Evening, August 17, 2015

Major Development

OE/ISER Situation Report: Super Typhoon Soudelor

http://www.oe.netl.doe.gov/named_event.aspx?ID=76

Electricity

Storms Knock Out Power to 37,500 We Energies Customers in Wisconsin August 14, Restoration Complete August 15

Storms knocked out power to 37,500 We Energies customers Friday evening in southeast Wisconsin. Strong winds brought down trees and power lines. By Saturday morning, power had been restored to the majority of customers.

https://twitter.com/we_energies

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

<http://fox6now.com/2015/08/14/20000-without-power-after-severe-thunderstorm-rips-through-southeastern-wisconsin/>

Storms Knock Out Power to 22,000 DTE Customers in Michigan August 14, Restoration Nearly Complete August 15

DTE Energy is working to restore power to about 22,000 customers in southeast Michigan after storms rolled through the region Friday evening. Wind gusts of up to 60 mph were reported. By Saturday afternoon, the majority of customers had their power restored.

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

<https://www.facebook.com/dteenergy?sk=wall>

<http://www.thetimesherald.com/story/news/local/2015/08/14/thousands-without-power-st-clair-county/31758887/>

Power Restored to 19,500 SCE Customers after Underground Cable Failure in California August 15

Almost 19,500 Southern California Edison customers in Long Beach were left without electricity early Saturday morning after an underground cable failed, the utility reported. An SCE spokesman said the outage occurred shortly after midnight and initially knocked out power to 491 customers in an area around Lakewood Boulevard and Pacific Coast Highway. He added that service was interrupted for another 19,000 customers when power was shut off to allow crews to make repairs. Electricity was restored to the 19,000 customers by 1:27 a.m. PDT and to the original 491 users by 4 a.m. PDT. The cause of the cable failure was under investigation.

<https://www.sce.com/wps/portal/home/outage-center/outage-map/>

<http://ktla.com/2015/08/15/thousands-temporarily-without-power-in-long-beach-after-3rd-outage-in-2-months/>

Update: TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee Restarts by August 15, Ramps Up to 80 Percent by August 17

On the morning of August 16 the unit was operating at 15 percent after restarting and ramping up to 2 percents by August 15. The unit shut from full power by August 9

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

Update: Exelon's 1,111 MW La Salle Nuclear Unit 2 in Illinois Restarts by August 13, Ramps Up to 75 Percent by August 17

On the morning of August 16 the unit was operating at 57 percent after restarting and ramping up to 2 percent by August 13. Exelon reported that pressure boundary leakage on the welded vent line joint led to degraded conditions, which shut the unit from 10 percent on August 7.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150810en.html>

TVA Says Its 1,150 MW Watts Bar Unit 2 in Tennessee Nearly Complete, Asks NRC for License August 14

The Tennessee Valley Authority (TVA) sent documentation to the Nuclear Regulatory Commission (NRC) informing them that construction of the Watts Bar Unit 2 nuclear reactor in Spring City, Tennessee is substantially complete. The notification to the NRC is a major construction and licensing milestone for the project and follows the completion of comprehensive testing on major unit 2 systems to demonstrate operational readiness, the company said. The reactor, which the company started building in the 1970s before stopping construction in the 1980s due to lower energy demand, will be the country's first new reactor since 1996 when Watts Bar 1 entered service. If NRC grants the license, it is not known when the reactor will enter service.

http://www.tva.com/news/releases/julsep15/wb2_substantially_complete.html

Petroleum

PES Reports Units Shut at Its 335,000 b/d Philadelphia, Pennsylvania Refinery August 14

Reuters, 15:48 August 14, 2015

Update: Hydroplex Restart Delayed at Valero's 180,000 b/d Memphis, Tennessee Refinery – Sources

Valero Energy Corp delayed the restart of a hydrotreating unit at the company's Memphis, Tennessee, refinery until late Friday or early Saturday to carry out additional repairs, sources familiar with plant operations said on Friday. The Hydroplex, which combines 40,000 b/d in gasoline feedstock hydrotreating with production of octane-boosting gasoline components, was knocked out of production on August 2 by the breakdown of a compressor. Refinery production has been cut back due to the outage. Valero had planned to restart the unit early on Friday morning, but had to push back the restart time to late Friday night or early Saturday to do additional work required on the rebuilt compressor, the sources said.

Reuters, 12:15 August 14, 2015

Phillips 66 Reports Process Upset at Its 146,000 b/d Borger, Texas Refinery August 17

Reuters, 11:10 August 17, 2015

Tesoro Reports Steamline Malfunction at Its 251,000 b/d Carson, California Refinery August 14

Reuters, 19:21 August 14, 2015

U.S. Oil Drillers Add Rigs Even as Prices Fall – Baker Hughes

U.S. energy firms added oil rigs for a fourth straight week, according to data from Baker Hughes Inc. Reflecting plans announced in May and June, when U.S. crude futures averaged \$60 a barrel, drillers added two oil rigs in the week ending August 14, bringing the total count up to 672, the highest since early May, according to Baker Hughes.

Reuters, 13:28 August 14, 2015

Natural Gas

Targa Reports AGC Shut at Its 150 MMcf/d Sand Hills Gas Plant in Texas August 15

Targa reported the acid gas compressor (AGC), C-14, shut due to high temperature when a malfunction at the breaker shut the cooling fans. This routed acid gas to the emergency acid gas flare, F-4. A loose wire was found in the breaker which was repaired as well as moisture. The seal on the breaker was replaced and operations restarted the AGC and flaring ceased.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=218881>

Southern Union Reports SRU Shut at Its Keystone Gas Plant in Texas August 15

Southern Union reported the sulfur recovery unit (SRU) shut when the seal in the recycle blower was blown out. When the recycle blower seal was blown it made condenser A bed get too hot and brought down the SRU. A new recycle blower will be installed.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=218876>

Atlas Pipeline Reports Equipment Failure at Its 195 MMcf/d Midkiff Gas Plant in Texas August 14

Atlas reported water breakthrough from the C1 mol sieve beds caused the C1 cryo unit to freeze. The cryo unit was warmed to dispense water build up in the system. Once water was dispensed the cryo unit was cooled back down and the residue and propane compressors were placed back online.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=218860>

DCP Midstream Reports Power Outage, Flaring at Its 160 MMcf/d Goldsmith Gas Plant in Texas August 14

DCP Midstream reported a storm in the Permian Basin knocked out power to the plant and triggered the flaring event. Once power was restored, the units were restored and flaring stopped.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=218864>

National Energy Board Grants LNG Export License to Bear Head LNG in Nova Scotia August 17

Canada's National Energy Board (NEB) granted Bear Head LNG Corporation and Bear Head LNG, LLC authorization to export liquefied natural gas (LNG) from Bear Head LNG's project site on the Strait of Canso in Nova Scotia. The NEB licensing decision approves Bear Head LNG's application for authority to export up to 8 mtpa of LNG from Canada starting in 2019 with expanded authority to increase production to 12 mtpa in 2024. The export license extends for a period of 25 years from the date of first LNG export. Bear Head was also granted a license to import 800 MMcf/d of natural gas from the U.S., an amount adequate to produce the authorized annual LNG exports. The NEB's export license decisions are subject to approval by Canada's Governor in Council. In July 2015, the U.S. Department of Energy granted Bear Head LNG export authorization to free trade agreement countries. In May 2015, Bear Head received the last of 10 initial Canadian federal, provincial and local regulatory approvals needed to construct the proposed facility.

<http://www.lnglimited.com.au/IRM/Company/ShowPage.aspx/PDFs/3574-10000000/NationalEnergyBoardGrantsExportLicencetoBearHeadLNG>

Transco Announces Open Season for Its 200 MMcf/d St. James Supply Project in Louisiana

Williams Cos Inc's Transcontinental Gas Pipeline Co (Transco) said on Friday it will gauge shipper interest in its St. James Supply Project through an open season process ending on September 14. Transco anticipates the pipeline will provide up to 200 MMcf/d of firm transportation capacity from Transco's Station 65, Zone 3 Pool in St. Helena Parish, Louisiana to a new interconnection adjacent to the proposed facility near Transco's Southeast Louisiana Lateral milepost 72 in St. James Parish, Louisiana. The capacity will become available January 1, 2018, the company said. Transco's 10,200-mile gas pipeline system has the capacity to carry 9.9 Bcf/d from the Gulf Coast to markets throughout the Southeast, Middle Atlantic region and the Northeast, including New York City.

Reuters, 14:29 August 14, 2015

U.S. Natural Gas Rig Count Falls to 211 – Baker Hughes

The number of rigs drilling for natural gas in the U.S. fell by 2 last week to 211, data from Baker Hughes showed on Friday. Horizontal rigs—the type most often used to extract oil or gas from shale—rose by 4 to 676.

Reuters, 13:01 August 14, 2015

Other News

Nothing to report.

Theft Attempt Halts Oil Flow in Iraq-Turkey Pipeline August 17 – Energy Officials

The flow in an Iraqi pipeline carrying Kurdish and Kirkuk crude oil to Turkey's southern port of Ceyhan has been suspended after a theft attempt on the pipeline, energy officials and a shipping agent said on Monday. The flow was expected to resume "in a few hours," one energy official said. The oil flow was halted for about a week earlier this month when the pipeline was attacked by Kurdish militants.

Reuters: 9:20 August 17, 2015

Update: China's Tianjin Port Commodity Operations Resume August 17 after Explosions August 12 – Sources

Many operations have resumed at China's Tianjin port, trade sources said, after explosions last week that killed more than 100 people and disrupted business at the oil, gas, and bulk import harbor. The explosions on August 12 led to the disruption of all chemical and oil tanker discharges at the port, and imports of iron ore were also affected. But shipping data from Reuters on Monday showed that tankers were discharging again, with traders and shippers confirming that operations had restarted over the weekend. Strategic oil reserves in the region were not affected but damaged logistics affected container handling. The port had already suffered from delays before the explosions.

Reuters, 4:10 August 17, 2015

Libya's Oil Output at 350,000–380,000 b/d August 15 – New Eastern State Oil Firm Chairman

Reuters, 19:18 August 15, 2015

Energy Prices

U.S. Oil and Gas Prices			
August 17, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	42.09	44.89	96.45
NATURAL GAS			
Henry Hub \$/Million Btu	2.83	2.80	3.83

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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