



ENERGY ASSURANCE DAILY

Wednesday Evening, August 17, 2016

Electricity

Update: Over 21,000 Customers Remain without Power in Louisiana August 17 after Strong Storms, Flooding Hit August 14–15

Power restoration efforts were continuing on Wednesday after heavy rains and historic flooding knocked out power to at least 28,000 Dixie Electric Membership Corporation (DEMCO) and 26,000 Entergy Louisiana customers in Southeast Louisiana on Sunday night, with impacts lingering into Wednesday. As of 3:30 p.m. EDT Wednesday, 8,338 DEMCO and 13,175 Entergy Louisiana customers remained without power. DEMCO on Wednesday was urging its customers who were receiving power to curtail their usage by not placing excessive strain on the system. The utility said that flooding damaged to its primary and back-up infrastructure was preventing its ability to shift load from substation to substation. Entergy said crews were continuing to restore power where access to facilities was available and flood waters were receding, adding that customers whose home or business were significantly impacted by flood waters will need to contact local permitting authorities concerning permitting requirements for reconnecting electrical service. Entergy said some areas in and around Baton Rouge should have power restored by late Wednesday.

<http://www.etrviewoutage.com/external/la.aspx>

http://entergystormcenter.com/article.aspx?NR_ID=900

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

<http://demco.maps.sienatech.com/>

Storms Knock Out Power to 115,000 Hydro-Quebec Customers August 16

Strong storms producing heavy rain and high winds knocked out power to 115,000 Hydro-Quebec customers in the Montreal area on Tuesday night. Hydro Quebec said that water seeped into the basement of the Notre-Dame substation in Montreal, which resulted in the tripping of surge protection equipment in the substation. As of 3:30 p.m. EDT Wednesday, 17,485 customers remained without power.

<http://poweroutages.hydroquebec.com/poweroutages/>

<http://poweroutages.hydroquebec.com/poweroutages/service-interruption-report/#bis>

<https://twitter.com/hydroquebec>

Update: Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Ramps Up to 74 Percent by August 17

On the morning of August 16 the unit was operating at 50 percent, reduced from full power on August 15 due to the salt service water being declared inoperable.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160816en.html>

TVA's 1,125 MW Watts Bar Nuclear Unit 1 in Tennessee Reduced to 85 Percent by August 17

On the morning of August 16 the unit was operating at 95 percent.

<http://content.caiso.com/unitstatus/data/unitstatus201608161515.html>

Update: AES's 496 MW Redondo Gas-fired Unit 8 in California Returns to Service by August 16

The unit returned from an unplanned curtailment of 316 MW that began on August 14.

<http://content.caiso.com/unitstatus/data/unitstatus201608161515.html>

AES's 498 MW Alamos Gas-fired Unit 5 in California Reduced by August 16

The unit entered an unplanned curtailment of 248 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201608161515.html>

RRI Energy's 741 MW Ormond Beach Gas-fired Unit 1 in California Shut by August 16

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201608161515.html>

PG&E's 114 MW Chevron Richmond Refinery Gas-fired Unit in California Shut by August 16

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201608161515.html>

Duke Energy Plans to Modify Its 1,387 MW Cliffside Coal Power Plant in North Carolina to Burn Supplemental Natural Gas Fuel

Duke Energy plans to modify its two Cliffside coal-fired units to allow them to burn natural gas as well as coal. A Duke spokesman said the modifications could be completed as early as spring 2019 depending on how the North Carolina Utilities Commission handles a request filed Monday by PSNC Energy to build a pipeline to the plant. The contract also contains an agreement for PSNC to transport gas to the Cliffside units for power production.

Retrofitting the units to burn gas as well as coal should help reduce fuel costs and would reduce emissions at the complex, the Duke spokesman said. It would also give Duke greater flexibility in ramping up or down power production to balance such production with demand. If additional power is needed to meet peak demand or to make up for a problem at another plant, the large units at Cliffside could be fired up as gas burners much more quickly than as coal units.

<http://www.bizjournals.com/charlotte/news/2016/08/16/duke-energy-to-burn-gas-at-cliffside>

<http://www.duke-energy.com/power-plants/coal-fired/cliffside.asp>

FERC Issues New 30-Year Operating License for Duke Energy's 868 MW Keowee-Toxaway Hydroelectric Project in Carolinas August 17

The Federal Energy Regulatory Commission (FERC) on Wednesday issued Duke Energy's Keowee-Toxaway Hydroelectric Project a new 30-year operating license, effective September 1, 2016. The license will allow the company to continue operating the Jocassee Pumped Storage Hydro Station, Keowee Hydro Station, and associated lakes. The Keowee-Toxaway Hydroelectric Project begins with Lake Jocassee in North Carolina and South Carolina, flows into Lake Keowee, then downstream to the Army Corps of Engineers' Lake Hartwell Project. The Keowee-Toxaway project is made up of two reservoirs with two powerhouses, spans approximately 25 river miles and encompasses approximately 480 miles of shoreline. It provides 868 MW of hydropower generation and cooling water for the 2,667 MW Oconee Nuclear Station. Duke Energy said it will review the terms and conditions of the new license during the 30-day review period and file any items requiring clarification or rehearing with the FERC. The project was originally licensed in 1966 for 50 years; Duke Energy filed the application to relicense the project in August 2014.

<https://news.duke-energy.com/releases/duke-energy-receives-new-30-year-operating-license-for-keowee-toxaway>

ExxonMobil Cuts Rates by 40 Percent at Its 502,500 b/d Baton Rouge Refinery after Flooding Shuts Sorrento, Louisiana LPG Storage Facility August 17

ExxonMobil Corp on Tuesday shut a 110,000 b/d crude distillation unit (CDU) at its Baton Rouge refinery after flooding disrupted operations at its Sorrento liquefied petroleum gas (LPG) storage facility, located approximately 60 miles from the refinery in Ascension Parish. Sources said the CDU shutdown further reduced the refinery's production level to about 60 percent of capacity. Prior to the flooding, production had also been cut in half on a 210,000 b/d CDU for planned maintenance. Normally, the Sorrento Storage Facility receives LPG production from the Baton Rouge refinery and stores gases like butane and propane in underground salt dome caverns, according to documents Exxon has filed with state regulators. With nowhere to store produced LPGs, the refinery was forced to cut back production. Sources said the company was prepared on Wednesday to shut the entire refinery if a unit at the adjacent ExxonMobil Baton Rouge chemical plant could not be started to process the refinery's LPG production. Later on Wednesday, the company confirmed that the LPG processing unit started up, providing an outlet for the refinery's LPG production. A company spokesman refuted earlier reports of a plant-wide shutdown, confirming that the Baton Rouge complex was operating and there were no issues with meeting its contractual commitments.

Reuters, 14:51 August 17, 2016

Reuters, 00:38 August 17, 2016

<http://www.bloomberg.com/news/articles/2016-08-17/exxon-baton-rouge-refinery-said-to-begin-shutdown-on-flooding>

Update: Motiva Reduces Staff at Its 235,000 b/d Convent, Louisiana Refinery Due to Flooding August 16 – Sources

Motiva Enterprises reduced staffing to essential personnel at its Convent, Louisiana refinery, sources familiar with Motiva operations said on Tuesday. Multiple roadways near the refinery were impassable due to the flooding and the homes of employees had been inundated. A Motiva spokeswoman said on Tuesday operations at the Convent refinery and Motiva's 237,700 b/d Norco, Louisiana refinery were stable, but production was cut last week at the Convent refinery after an explosion and fire damaged the refinery's 45,000 b/d heavy oil hydrocracker, forcing Motiva to shut the unit down.

Reuters, 00:38 August 17, 2016

Update: BP's 413,500 b/d Whiting, Indiana Refinery Experiences Flaring Due to Minor Upset August 16 – Sources

Flaring at BP Plc's Whiting, Indiana refinery on Tuesday afternoon was due to a minor upset that did not affect the week-long restoration of normal operations, sources familiar with plant operations said. The refinery was near normal production on Tuesday as BP returned the wastewater plant to normal operation, the sources said. A malfunction at the wastewater plant over the weekend of July 30–31 contributed to higher than permitted amounts of wastewater being released into Lake Michigan. BP cut production to reduce the releases.

Reuters, 20:19 August 16, 2016

ExxonMobil's 560,500 b/d Baytown, Texas Refinery Shuts FCCU Due to Leak August 16 – Sources

ExxonMobil Corp shut the 90,000 b/d fluidic catalytic cracking unit (FCCU) at its Baytown, Texas refinery on Tuesday to repair a leak, said sources familiar with plant operations.

Reuters, 14:22 August 16, 2016

Total Returns Reformer to Production at Its 225,500 b/d Port Arthur, Texas Refinery August 17 after Brief Fire August 16 – Sources; SRU, Hydrotreater Remain Shut

Total SA returned a 35,000 b/d reformer to production at the company's Port Arthur, Texas refinery on Wednesday, one day after a small flange fire broke out on the unit, said sources familiar with plant operations. According to the sources, the reformer lost its supply of feedstock and then developed a leak, which led to the brief fire. In addition, a naphtha hydrotreater and a sulfur recovery unit (SRU) were also shut on Tuesday and remained shut on Wednesday, sources said. This is the fourth fire at a Gulf Coast crude oil facility since August 11; three at refineries and the fourth at a crude oil terminal.

Reuters, 12:26 August 17, 2016

Reuters, 19:01 August 16, 2016

U.S. Coast Guard Responds to 840 Gallon Oil Discharge near Pilottown, Louisiana August 16

The Coast Guard on Tuesday was responding to an oil discharge near Pilottown, Louisiana. Watchstanders with Coast Guard Sector New Orleans received a report at 10:00 a.m. CDT that approximately 840 gallons of crude oil entered the Lower Mississippi River near South Pass from a corroded flow line. Approximately 1,200 feet of sorbent boom was deployed around the source and 400 feet of hard boom to collect any discharge that passed the sorbent boom. The cause of the incident was under investigation.

<http://www.uscgnews.com/go/doc/4007/2875353/>

U.S. Crude Stocks Fall by 2.5 Million Barrels August 12 – EIA

U.S. crude inventories fell by 2.5 million barrels in the last week, compared with analysts' expectations for an increase of 522,000 barrels, data from the Energy Information Administration (EIA) showed on Wednesday. Crude stocks at the Cushing, Oklahoma, delivery hub fell by 724,000 barrels, EIA said. Refinery crude runs rose by 268,000 b/d and U.S. crude imports fell last week by 211,000 b/d, EIA data showed.

Reuters, 11:55 August 17, 2016

Natural Gas

ETNG Declares Force Majeure Due to Unplanned Outage at Its Tracy City Compressor Station in Tennessee August 17

East Tennessee Natural Gas, LLC (ETNG) on Wednesday declares force majeure due to an unplanned outage at its Tracy City Compressor Station in Tracy City, located northwest of Knoxville, Tennessee. While repair efforts will commence as soon as possible, the estimated time of restoration is unclear at this time, ETNG said. ETNG will post updates to the status of repairs as they are known.

<https://infopost.spectraenergy.com/infopost/ETHome.asp?pipe=ET&mode=1>

Enbridge Reports Upset Due to Lightning Strike at Its Pittsburg Gas Plant in Texas August 16

Enbridge reported its Pittsburg gas plant experienced an upset due to a lightning strike which resulted in an electrical short in the electrical instrumentation of the SCOT unit, prompting a SCOT plant shut down and emission event. The equipment was brought back online and into compliance, and to mitigate emissions during startup, the thermal oxidizer was utilized.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=241723>

Other News

Nothing to report.

International News

Iran's Crude Oil Exports above 2.1 Million b/d in July – Oil Official

Iran's crude oil exports in July were more than 2.1 million b/d, the oil ministry's news agency SHANA cited a senior Iranian oil official as saying on Wednesday. The Director of the International Affairs Department at National Iranian Oil Company (NIOC) told SHANA the total amount of crude and gas condensate exports by Iran reached 2.74 million b/d in July. He said 600,000 b/d out of that figure were condensate exports. Iran exported 2.35 million b/d of crude before international sanctions were imposed.

http://www.rigzone.com/news/oil_gas/a/146220/Irans_Crude_Oil_Exports_Above_21_Million_Bpd_In_July

Energy Prices

U.S. Oil and Gas Prices			
August 17, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	46.76	41.70	42.09
NATURAL GAS Henry Hub \$/Million Btu	2.71	2.75	2.83

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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