



ENERGY ASSURANCE DAILY

Thursday Evening, October 01, 2015

Electricity

JCP&L, PSE&G, O&R, Dominion Planning for Possible Impact of Hurricane Joaquin in New Jersey – September 30, October 1

Jersey Central Power & Light (JCP&L) said it was closely monitoring Hurricane Joaquin and that crews were deploying flood barriers and pumps in several key substations within its northern and central New Jersey service territory. The utility has staffed additional dispatchers and analysts at its regional dispatch offices, and has put additional line, substation, and forestry personnel on notice should severe weather occur. In addition, contractors have been notified they could be required to assist with storm restoration efforts over the next several days, and the company also contacted the International Brotherhood of Electrical Workers (IBEW) Locals 102 and 400 to secure additional hazard responders during storm restoration efforts, if needed, Public Service Electric and Gas Co. (PSE&G) was activating its emergency protocol and personnel, and performing system checks on critical transmission and distribution equipment. In addition, the company was requesting mutual aid from other utilities, securing additional tree crews, and ensuring the availability of materials and supplies. Orange & Rockland's (O&R) Storm Function coordinators have been ordered to prepare their organizations for activation to make repairs and restore electric service as needed. O&R's first-response organizations have begun preparing weekend work schedules, and its emergency preparedness planners were consulting with its various mutual aid organizations. Lastly, on Thursday, Dominion said it began preparing earlier this week in anticipation of the severe weather. Staffing plans were being made, equipment was being staged, and supplies needed for repairs were being increased.

https://www.firstenergycorp.com/newsroom/news_releases/jcp-l-planning-for-possible-impact-of-hurricane-joaquin.html

<https://www.pseg.com/info/media/newsreleases/2015/2015-09-30.jsp#.Vg1dFflVikp>

<http://www.oru.com/aboutoru/news/2015093002.html>

<https://www.dom.com/residential/dominion-virginia-power/news/news-releases/137056>

Snowstorm Knocks Out Power to 21,000 GVEA Customers in Alaska September 29

A snowstorm knocked out power to 21,000 Golden Valley Electric Association (GVEA) customers Tuesday night into Wednesday morning in the Fairbanks, Alaska area. Deep, wet snow blanketed the area weighing down trees and power lines. GVEA said along with its own crews, it hired nearly every journeyman, lineman, and apprentice electrician in the area to help restore power. As of 6:20 a.m. AKDT Thursday, 6,000 customers remained without power.

<http://gvea.com/outages>

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

http://www.newsminer.com/news/alaska_news/utility-crews-make-gains-but-still-without-power-following-interior/article_1538cbf8-67a9-11e5-b222-73b6e5203054.html

FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Shut by October 1

On the morning of September 30 the unit was operating at 61 percent.

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

Update: Exelon's 855 MW Quad Cities Nuclear Unit 2 in Illinois Ramps Up to 96 Percent by October 1

On the morning of September 30 the unit was operating at 28 percent, reduced from full power on September 28.

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

SCE's 820 MW Big Creek Hydro Unit in California Reduced by September 30

The unit entered an unplanned curtailment of 760 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201509301515.html>

Energia Azteca X's 180 MW Gas-fired Unit in California Shut by September 30

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201509301515.html>

Duke Energy to Pay \$7 Million Settlement for Groundwater Violations in North Carolina

Duke Energy reached a \$7 million settlement on September 29 with the North Carolina Department of Environmental Quality regarding alleged groundwater violations at the company's retired Steam Electric plant in Wilmington, and a second facility within the state. The settlement will resolve former, current, and future groundwater issues at all 14 coal facilities in the state.

<http://www.wmbfnews.com/story/30142341/duke-energy-to-pay-sevenmillion-settlement-for-groundwater-violations>

Petroleum

Norfolk Southern Warns Customers of Delayed East Coast Crude Oil Rail Deliveries Due to Hurricane Joaquin

Norfolk Southern Corp on Thursday warned customers along its Northeast crude rail route that deliveries may be delayed due to Hurricane Joaquin, which could threaten the East Coast in upcoming days. The rail operator said customers should be prepared for service delays along its network in Pennsylvania, which a recent state-commissioned report said carries 14–25 unit trains per week to East Coast refineries.

Reuters, 12:32 October 1, 2015

Trespasser Reported at Phillips 66's 336,000 b/d Wood River, Illinois Refinery, Output Unaffected

Phillips 66 reported an intruder at its Wood River refinery in Illinois to local law enforcement late Wednesday afternoon, but said operations were not affected. A person riding a bicycle was seen entering the premises of the refinery. The refinery asked local law enforcement to assist with a grid search of its facility, a company spokesman said on Thursday.

Reuters, 10:07 October 1, 2015

Alon Reports Emissions during FCCU Startup at Its 70,000 b/d Big Spring, Texas Refinery September 30

Reuters, 17:24 September 30, 2015

Phillips 66 Reports Flaring at Its 139,000 b/d Wilmington, California Refinery October 1

Reuters, 12:09 October 1, 2015

National Energy Board Approves Enbridge's 300,000 b/d Line 9 Hydrotest Results, Continues Regulatory Oversight

The National Energy Board (NEB) approved the hydrotest results of Enbridge Inc's Line 9 crude oil pipeline on Wednesday, clearing the way for the delayed route to the east of the country to start operating. The newly reversed Line 9 will ship mainly light inland crude from Sarnia, Ontario to Montreal, Quebec. It previously flowed in the opposite direction, taking imported crude to Ontario. The line, originally expected to start up in late 2014, was held up after the NEB ordered hydrostatic tests at three locations along the line in June. Prior to that, regulators had asked for additional data on shut-off valve placements at major water crossings. The NEB said on Wednesday there were no further pre-operation requirements on Line 9. Once the pipeline becomes operational the NEB has imposed conditions including biweekly patrols, quarterly integrity testing and an in-line inspection within the first year of operation. Enbridge is also required to limit the pressure of the pipeline for its first year of operation. It was not immediately clear whether pressure restrictions would affect the capacity of the pipeline and the company does not yet have an expected in-service date for the pipeline.

<http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=1017649&crtr.tp1D=1>

Reuters, 19:13 September 30, 2015

PBF Energy Signs Agreement to Purchase ExxonMobil's 155,000 b/d Torrance, California Refinery

PBF Energy Inc. on Wednesday announced its subsidiary signed a definitive agreement to purchase Exxon Mobil's Torrance, California refinery and related logistics assets including a network of crude and products pipelines, product distribution terminals, and refinery crude and product storage facilities including a 171-mile crude gathering and transportation system which delivers San Joaquin Valley crude oil directly from the field to the refinery. Additionally, included in the transaction are several pipelines which provide access to sources of crude oil including the Ports of Long Beach and Los Angeles, as well as clean product outlets with a direct pipeline supplying jet fuel to the Los Angeles airport. The refinery also has crude and product storage facilities with approximately 8.6 million barrels of shell capacity. With the acquisition, PBF will increase its total throughput capacity to approximately 900,000 b/d. The Torrance transaction is expected to close in the second quarter of 2016, subject to customary closing conditions and regulatory approvals. The refinery will be restored to full working order prior to close. <http://investors.pbfenergy.com/press-release/pbf-energy-purchase-torrance-refinery-and-related-logistics-assets-and-announces-senio>

Natural Gas

Mountain Valley Pipeline to Provide Natural Gas Service to Virginia Communities through Partnership with Roanoke Gas

Mountain Valley Pipeline, LLC and RGC Midstream, LLC today announced their intent to deliver natural gas to several Virginia communities along the proposed Mountain Valley Pipeline (MVP) route. In addition, Roanoke Gas Company will become a shipper on the pipeline in order to supply and expand its southwest Virginia customer base. The MVP is an approximately 300-mile long, 42-inch diameter pipeline, with an estimated total project cost of \$3–\$3.5 billion. Mountain Valley Pipeline, LLC expects to file a certificate application with the Federal Energy Regulatory Commission (FERC) later this month, and subject to approval by the FERC, the MVP is targeting a full in-service during the fourth quarter of 2018.

<http://mountainvalleypipeline.info/wp-content/uploads/2014/06/RGC-Announcement-10.1.15-FINAL.pdf>

Other News

Nothing to report.

International News

Iraq's September Oil Exports Fall to 3.052 Million b/d – Oil Ministry

Iraq's oil exports fell in September to an average of 3.052 million b/d, from 3.078 million b/d the previous month, the oil ministry said on Thursday. The vast bulk of the exports – 3.03 million b/d – were from Iraq's southern ports, the ministry said. Shipments from Iraq's north via Ceyhan in Turkey averaged only 22,000 b/d, the ministry said. Iraq's semi-autonomous Kurdistan region has ramped up independent oil sales since mid-June while cutting allocations to Iraq's state oil firm SOMO in an escalating dispute over export rights and budget payments. Iraq's southern oil exports will rise modestly to around 3.25 million b/d in 2016, the head of state-owned South Oil Company (SOC) told Reuters earlier this week, as the country struggles to boost production in the face of slumping crude prices.

http://www.rigzone.com/news/oil_gas/a/140893/Iraqs_September_Oil_Exports_Slip_to_3052M_BPD#sthash.6fyZbP5I.dpuf

Update: Libya's AGOCO Output at 220,000 b/d, Nafoura Oilfield Reopens – Official

Production at Libya's AGOCO is currently at 220,000 b/d and its Nafoura oilfield has reopened with output at testing levels after an agreement was reached with protesters seeking jobs, an AGOCO official said on Thursday. Libya's Zueitina port is also working normally after production nearby resumed, the official said. Brega and Hariga ports are also operating normally.

Reuters, 10:09 October 1, 2015

Energy Prices

U.S. Oil and Gas Prices			
October 1, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	44.70	44.89	91.96
NATURAL GAS Henry Hub \$/Million Btu	2.47	2.59	4.14

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>

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