



# ENERGY ASSURANCE DAILY

Thursday Evening, October 02, 2014

## *Electricity*

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### **Transmission Circuit Failure Knocks Out Power to Nearly 22,000 BC Hydro Customers in British Columbia October 1**

Nearly 22,000 BC Hydro customers in West Kelowna, Peachland, and Summerland, British Columbia, had their power knocked out Wednesday evening. According to BC Hydro the cause of the outage was being blamed on a transmission circuit failure. As of 3:30 a.m. local time Thursday, power had been restored to all customers, according to BC Hydro.

<https://www.bchydro.com/outages/orsTableView.jsp>

[http://www.kelownanow.com/news/news/Local\\_News/14/10/01/Massive\\_Power\\_Outage\\_Leaves\\_Thousands\\_in\\_the\\_Dark](http://www.kelownanow.com/news/news/Local_News/14/10/01/Massive_Power_Outage_Leaves_Thousands_in_the_Dark)

### **NMC's 578 MW Monticello Nuclear Unit in Minnesota Reduced to 30 Percent by October 2**

On the morning of October 1 the unit was operating at 64 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

### **Ace's 118 MW Cogeneration Coal-fired Unit in California Shut by October 1**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201410011515.html>

### **Black Hills Corp Places New 132 MW Cheyenne Prairie Generating Station in Wyoming into Service October 1**

Black Hills Corp. subsidiaries Black Hills Power and Cheyenne Light, Fuel & Power on Wednesday commissioned their jointly owned the natural gas-fired Cheyenne Prairie Generating Station in Wyoming. Black Hills Power's ownership in the natural gas-fired generating station replaces the utility's three oldest power plants—the 62-year-old Osage and 45-year-old Neil Simpson I plants in Wyoming, and the 54-year-old Ben French plant in South Dakota. The three coal-fired plants were retired in March of this year to comply with new Environmental Protection Agency air emissions regulations.

<http://www.blackhillscorp.com/node/116367#.VC1GvfldW5g>

### **Ameren Missouri Announces 20-Year Plan for Cleaner Energy, Including Major Expansions for Solar and Wind Power**

Ameren Missouri on Wednesday filed with the Missouri Public Service Commission its 20-year plan that supports cleaner energy in the state of Missouri, including major expansions of solar and wind power. Ameren Missouri, a subsidiary of Ameren Corporation, would add nearly 500 MW of renewable power generation under the plan, which, together with other planned changes to its generation resources, would allow the utility to achieve a 30 percent reduction in carbon dioxide emissions by 2035, based on 2005 levels. The plan includes construction in 2016 of a second solar energy center that would be the largest in the state of Missouri. Earlier this year, Ameren Missouri broke ground on its first utility-scale solar energy center in O'Fallon, Missouri, which is scheduled for completion later this year. Other major components of the plan include significantly expanding renewable generation by adding 400 MW of wind power, 45 MW of solar, 28 MW of hydroelectric and 5 MW of landfill gas. In addition, Ameren would retire approximately one-third (about 1,800 MW) of its current coal-fired generating capacity. This includes converting two units at its 1041 MW Meramec Energy Center to natural gas in 2016, and retiring the remaining units at Meramec by the end of 2022 and the Sioux Energy Center by the end of 2033. The plan would also add 600 MW of efficient combined-cycle and clean-burning natural gas generation in 2034.

<http://ameren.mediaroom.com/index.php?s=43&item=1333>

### **Enbridge's 193,300 b/d Spearhead Crude Oil Pipeline Cuts Runs Due to 'Supply Issues'**

Temporary supply issues on Enbridge Inc's Spearhead crude pipeline flowing from Illinois to Oklahoma forced the company to cut runs below the line's nameplate capacity, an executive told Reuters on Wednesday. Traders have been concerned that Enbridge's northern system wasn't providing sufficient crude to fill the Spearhead and Flanagan South lines. Last week, limited crude supplies at Cushing, Oklahoma, prompted Enbridge to implement new steps to increase the flow into the storage hub. Enbridge will begin implementing a "feeder verification procedure" in October, according to the company's September 25 letter to customers. Spearhead, which runs from Flanagan, Illinois to Cushing, Oklahoma, alongside the Flanagan South pipeline, is expected to run at normal rates in January or February 2015, according to Enbridge. The Flanagan South pipeline was on track for line-fill beginning in October and start-up by the end of the year.

Reuters, 18:04 October 1, 2014

### **Valero's 195,000 b/d Memphis, Tennessee Refinery Releasing Elevated Levels of Hydrogen Cyanide**

The Shelby County Health Department (SCHD) confirmed Valero's Memphis oil refinery in South Memphis is releasing elevated levels of the toxic chemical hydrogen cyanide. The refinery is less than a football field from a residential neighborhood. SCHD was investigating new findings that show in just one day, Valero was releasing levels of hydrogen cyanide equivalent to what the oil refinery thought it was releasing over an entire year. Valero said it didn't have any indication there was any danger to anyone in the community but would continue testing. Valero said it wasn't a new problem and it discovered it was emitting higher levels of hydrogen cyanide due to more stringent testing.

<http://www.wmcactionnews5.com/story/26681302/memphis-oil-refinery-releasing-elevated-levels-of-hydrogen-cyanide>

<http://www.valero.com/ourbusiness/ourlocations/refineries/pages/memphis.aspx>

### **Total Reports Unit Malfunction at Its 225,500 b/d Port Arthur, Texas Refinery October 2**

Total SA reported emissions from area 2, north flare, unit 835 at its Port Arthur, Texas, refinery, according to a filing with the Texas Commission on Environmental Quality. Normal operating conditions were momentarily interrupted, according to the filing.

Reuters, 11:52 October 2, 2014

### **Motiva Reports HCU Emissions at Its 600,250 b/d Port Arthur, Texas Refinery October 1**

Motiva Enterprises LLC reported emissions from the hydrocracker unit (HCU) at its Port Arthur, Texas, refinery, to a filing with the Texas Commission on Environmental Quality. The refinery experienced a process incident that resulted in flaring due to equipment failure. Operators took immediate corrective actions to stabilize the unit and reduce flaring.

Reuters, 16:07 October 1, 2014

### **Update: Shell Restarting Units at Its 75,000 b/d Sarnia, Ontario Refinery October 2 after Power Outage September 30**

Royal Dutch Shell Plc said in response to a power outage early Tuesday, it was restarting units at its manufacturing facility in Sarnia. Shell said there was no material impact on production.

Reuters, 11:21 October

### **Winter Usage of Natural Gas Expected to Decline with Milder Weather – NGSA**

U.S. natural gas usage was expected to decline this winter compared with last year when the polar vortex boosted the fuel's demand for heating and power generation to record levels, the Natural Gas Supply Association (NGSA) said in an assessment. Overall demand for gas was expected to decline from 91.1 Bcf/d last winter to 87.7 Bcf/d because the weather this year is forecast to be warmer than the extreme cold last year, according to Energy Ventures Analysis (EVA). The expected big declines in residential and commercial heating demand will offset the projected slight increase in electric demand and a 6 percent increase in industrial usage. On the supply side, NGSA expected drillers to produce more gas this winter as several new pipelines move the fuel out of the shale fields. NGSA said it expects associated gas to continue to be a key component of winter supply as oil drilling in the Bakken in North Dakota and Eagle Ford in South Texas continues.

<http://www.ngsa.org/download/news/news-2014/WO%2014%20FINAL%20Winter%20Outlook%20press%20release.pdf>

Reuters, 9:40 October 2, 2014

### **Update: Tennessee Gas Pipeline Completes Repairs at Edinburg, Texas Station October 2 after Declaring Force Majeure September 17**

Tennessee Gas Pipeline on Thursday said the repairs at Station 409 Unit 2 near Edinburg, Texas (Segment 490 FH) were completed and the station was back in service. A force majeure event was declared at the station on September 17, affecting about 200 MMcf/d of natural gas flow, the company said. The 13,900-mile pipeline transports natural gas from Louisiana, the Gulf of Mexico, and south Texas to the northeast section of the United States, including New York City and Boston, according to Kinder Morgan's website.

[http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc\\_nbr=353525&date=10/2/2014&subject=&notc\\_type=-1&notc\\_sub\\_type=-1&notc\\_ind=C](http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc_nbr=353525&date=10/2/2014&subject=&notc_type=-1&notc_sub_type=-1&notc_ind=C)

[http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc\\_nbr=353143&date=10/2/2014&subject=&notc\\_type=-1&notc\\_sub\\_type=-1&notc\\_ind=C](http://pipeline2.kindermorgan.com/Notices/NoticeDetail.aspx?code=TGP&notc_nbr=353143&date=10/2/2014&subject=&notc_type=-1&notc_sub_type=-1&notc_ind=C)

### **West Virginia DEP Halts Drilling Operation on Antero Resources' Primm Pad September 30 after Accident September 23**

The West Virginia Department of Environmental Protection (DEP) ordered operations on the Primm Pad near West Union to halt September 30 after Antero Resources notified the agency of a gas influx September 23 when the drill for the Stella 1h well collided with the Callie 2h well causing a release of methane gas. Four personal wells and two existing gas wells were found to have been affected in an initial investigation.

<http://wvmetronews.com/2014/09/30/dep-halts-a-drilling-operation-in-doddridge-county-after-accident>

## **Other News**

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### **SaskPower Launches World's Largest Commercial Carbon-Capture Project in Saskatchewan October 2**

The world's first commercial-scale carbon capture and storage (CCS) process on a coal-fired power plant officially opened today at its 110 MW Boundary Dam Power Station in Estevan, Saskatchewan. When fully optimized, SaskPower's new process will capture up to a million tonnes of carbon dioxide annually. The power unit equipped with CCS technology will continue to use coal. The captured carbon dioxide will be used for enhanced oil recovery, with the remainder stored safely and permanently deep underground and continuously monitored.

<http://www.saskpower.com/about-us/media-information/news-releases/saskpower-launches-worlds-first-commercial-ccs-process/>

<http://www.saskpowerccs.com/ccs-projects/boundary-dam-carbon-capture-project/carbon-capture-project/>

### **Afren Expects Operations at Barda Rash Oilfield in Kurdistan to Resume by End of October**

Oil and gas producer Afren Plc said it expected drilling and production at its Barda Rash field in Kurdistan to be fully resumed by end-October as the security situation had improved at the border of Iraqi Kurdistan. The company said it had begun returning staffing levels to normal at Barda Rash after close consultation with the relevant authorities.

Reuters, 2:54 October 2, 2014

### **Mexico's Pemex Signs Cooperation Agreement with ExxonMobil October 2**

Mexico's state oil company Pemex and ExxonMobil Corp signed a non-commercial agreement on Thursday to jointly explore potential upstream and downstream business opportunities, a statement from the Mexican bourse said. The memorandum of understanding signed with ExxonMobil aims to "establish the bases for dialogue and analysis of business opportunities in upstream and downstream areas," the statement said. Upstream projects include exploration and production of crude oil or natural gas, while downstream ventures could include refining, storage or oil and gas transportation projects.

Reuters, 11:57 October 2, 2014

[http://www.pemex.com/prensa/boletines\\_nacionales/Paginas/2014\\_097\\_nacional.aspx#.VC2EyvldW5g](http://www.pemex.com/prensa/boletines_nacionales/Paginas/2014_097_nacional.aspx#.VC2EyvldW5g)

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
October 2, 2014			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	90.04	93.97	103.65
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.99	3.84	3.57

Source: Reuters

## Links

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***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](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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