



ENERGY ASSURANCE DAILY

Monday Evening, October 03, 2016

Storm Watch

Category 4 Hurricane Matthew to Impact Haiti October 3; NHC Tracking Potential East Coast U.S. Impact; Hurricane Warnings Issued for Jamaica, Cuba, Bahamas

Hurricane Matthew, a category 4 storm bringing 140 mph winds and torrential rain, was expected to close in on southwestern Haiti on Monday night, the U.S. National Hurricane Center (NHC) said on Monday. While there are no coastal watches or warnings in effect for the U.S. or its territories at this time, NHC forecasters were launching supplemental weather balloons to aid East Coast forecast models and will continue to make Hurricane Hunter flights in and around Matthew. In the Caribbean, Matthew is expected to bring between 15 and 40 inches of rain to parts of Haiti and the Dominican Republic, setting off potentially fatal flash floods and landslides. On Monday, the mayor of Cite Soleil in Port-au-Prince, Haiti, called on the government to evacuate 150,000 people. Meanwhile in Cuba, which Matthew is due to reach on Tuesday, evacuation operations were well underway, including non-essential U.S. personnel from the U.S. naval base at Guantanamo beginning on Sunday. As of 2:00 p.m. EDT, Matthew was about 250 miles southwest of Port-au-Prince, Haiti moving north at 6 mph.

<http://www.nhc.noaa.gov/text/refresh/MIATCPAT4+shtml/031454.shtml>

<https://weather.com/storms/hurricane/news/hurricane-matthew-caribbean-haiti-jamaica-cuba-bahamas-forecast-oct2>

<http://www.reuters.com/article/us-storm-matthew-idUSKCN1230AU>

Electricity

Downed Power Line Briefly Knocks Out Power to 29,000 SMUD Customers in California September 30

The Sacramento Municipal Utility District (SMUD) on Friday reported a large tree limb fell on power lines at 5:15 p.m. PDT, briefly knocking out power to 29,000 customers in the Citrus Heights and Fair Oaks area. Crews worked to clear the limb and repaired the damage. Power was restored to the area around 6:45 p.m. PDT Friday.

<https://www.smud.org/en/outages/>

<https://twitter.com/SMUDUpdates>

<http://www.kcra.com/news/local-news/news-sacramento/smud-about-29000-residents-without-power-in-citrus-heights/41907942>

FPL's 693 MW Turkey Point Nuclear Unit 4 in Florida Reduced to 48 Percent by October 2

On the morning of October 1 the unit was operating at full power.

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

TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Shut by October 1

On the morning of September 30 the unit was operating at 80 percent. The cause for the shutdown was not immediately known.

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

Update: FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio at Full Power by October 1

On the morning of September 30 the unit was operating at 89 percent, reduced from full power on September 25.

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

Indiana-Michigan Power's 1,060 MW D.C. Cook Nuclear Unit 2 in Michigan Reduced to 55 Percent by October 3

On the morning of October 2 the unit was operating at full power.

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

FPL's 565 MW Duane Arnold Nuclear Unit in Iowa Reduced to 8 Percent by October 3

On the morning of October 2 the unit was operating at 92 percent.

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

Update: NMC's 578 MW Monticello Nuclear Unit in Minnesota Ramps Up to 96 Percent by October 1

On the morning of September 30 the unit was operating at 58 percent, reduced from full power on September 17.

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

DEC Continues Cleanup Oversight of Entergy's 2,069 MW Indian Point Nuclear Plant in New York after Oil Spill September 30

An oil leak was reported on Friday evening from a malfunctioning turbine and cooling system at Entergy's Indian Point nuclear plant, according to New York Governor Andrew Cuomo. The New York State Department of Environmental Conservation (DEC) responded after being notified by Entergy that an unspecified amount of oil leaked from a heat exchanger into a cooling water discharge canal inside the facility. Under DEC oversight, Entergy's clean up contractors deployed absorbent booms to collect the petroleum sheen in the discharge canal and to prevent the spill from reaching the Hudson River. Most of the 600 gallons of petroleum that leaked is contained within the plant and only a small portion reached the discharge canal. DEC spill response staff performed another inspection of the facility on Saturday, October 1, and found no oil or sheen visible in either the canal or the Hudson River. After Sunday's inspections, no additional petroleum is expected to reach the discharge canal and DEC will continue to monitor Entergy contractors on Monday as they recover the oil contained within the plant. On Sunday an Entergy spokesman said the plant was running safely and there was no impact on worker or public health or safety. Since 2011 there have been over 40 spills and unexpected shutdown events at Indian Point, highlighting the ongoing safety and environmental concerns with the plant's continued operation.

<https://www.governor.ny.gov/news/governor-cuomo-inspects-indian-point-nuclear-facility-boat-and-provides-update-oil-spill>

<http://www.wsj.com/articles/n-y-governor-surveys-oil-spill-at-indian-point-nuclear-power-plant-1475456977>

Xcel Energy's 600 MW Rush Creek Wind Project in Colorado Receives PUC Approval September 30

The Colorado Public Utilities Commission (PUC) on Friday approved a settlement Xcel Energy and several other parties reached on the 600 MW Rush Creek Wind Project in eastern Colorado. Xcel Energy needed to move forward on Rush Creek this year instead of next to avoid forfeiting \$125 million out of the \$443 million in federal tax credits the project is seeking. Xcel Energy plans to place 300 Vestas wind turbines across 116,000 acres in Cheyenne, Elbert, Kit Carson, and Lincoln counties. A 90-mile transmission line connecting to a substation near Deer Trail in Arapahoe County will bring the power generated into the Front Range. Xcel Energy expects to start construction on Rush Creek in 2017 with electricity expected to start flowing in late 2018.

<http://www.denverpost.com/2016/09/30/huge-rush-creek-wind-project-gets-puc-ok/>

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

Petroleum

Valero Reports Normal Operations at Its 335,000 b/d Port Arthur, Texas Refinery October 1 after FCCU Upset September 30

Valero Energy Corp reported a process unit upset and emissions from a fluid catalytic cracking unit (FCCU) at its Port Arthur refinery on September 30, according to a filing with the Texas Commission on Environmental Quality. The 75,000 b/d FCCU resumed normal operations by Saturday afternoon, sources said.

Reuters, 22:23 October 2, 2016

Reuters, 11:01 October 3, 2016

Alon Reports Flaring Due to FCCU Snag at Its 73,000 b/d Big Spring, Texas Refinery October 1

Alon USA Energy reported emissions caused by intermittent over pressuring in the fluid catalytic cracking unit (FCCU) at its Big Spring refinery on October 1, according to a filing with the Texas Commission on Environmental Quality. Alon said process adjustments were made to stabilize the unit and minimize the start-up duration.
Reuters, 22:06 October 2, 2016

Fire Department Responds to Unplanned Flaring at PBF's 151,300 b/d Torrance, California Refinery October 1

The City of Torrance Fire Department on Saturday responded to an unplanned flaring event at PBF Energy's Torrance, California refinery. The flaring event ended Saturday night, according to a community alert message from the City of Torrance.

Reuters, 10:36 October 3, 2016

<http://www.torranceca.gov/TPD/18221.htm>

Petrobras Reports FCCU Shut at Its 112,229 b/d Pasadena, Texas Refinery October 2

Petrobras shut the fluid catalytic cracking unit (FCCU) to repair a leaking valve at its Pasadena, Texas refinery on Sunday, according to a filing with the Texas Commission on Environmental Quality. Petrobras also reported emissions through the Electrostatic Precipitator (ESP) stack.

Reuters, 21:44 October 3, 2016

Imperial Oil Reports Flaring at Its 187,000 b/d Strathcona, Alberta Refinery October 2

Imperial Oil Ltd reported flaring and increased steam venting at its Strathcona refinery on Sunday, according to a community information line.

Reuters, 12:45 October 3, 2016

Natural Gas

NW Natural Receives Notice to Proceed on Its 2.5 Bcf North Mist Expansion Project in Oregon October 3

Northwest Natural Gas Company, dba NW Natural, on Monday announced it received Notice to Proceed from Portland General Electric Company (PGE) to provide long-term no-notice underground natural gas storage services for PGE's generating plants at its Beaver and Port Westward facilities—including a plant designed to integrate more wind power into PGE's generation mix. Through this new storage service, PGE will be able to draw on its natural gas resources from NW Natural's facilities in Mist, Oregon to meet its fueling needs and rapidly respond to changing conditions in wind generation. In order to provide this service, NW Natural will advance its expansion project in the northern section of its existing underground storage facility at Mist. The North Mist Expansion Project will include a new reservoir providing up to 2.5 Bcf of available storage, an additional compressor station with design capacity of approximately 120 MMcf/d of gas, and a 13-mile pipeline to connect to PGE's gas plants at Port Westward and Beaver near Clatskanie, Oregon. The project is on track to be in-service during the winter of 2018-2019, according to NW Natural president and CEO.

<http://finance.yahoo.com/news/nw-natural-receives-notice-proceed-100000703.html>

Other News

Canada Sets Minimum Carbon Price to Be Met by 2018 – Prime Minister

Canada's federal government on Monday vowed to bring in a minimum price on carbon emissions by 2018, prompting the energy-producing province of Alberta to demand approval of a key oil pipeline in return. Prime Minister Justin Trudeau said carbon pollution would cost \$7.63/metric ton in 2018, rising \$7.63 a year until it reaches \$38.14/metric ton in 2022. Trudeau added that the 10 provinces could either implement a carbon tax or a cap-and-trade market by then. Those that do neither will have a price imposed by Ottawa. Trudeau said his measures would help Canada meet greenhouse gas emission cuts agreed under the Paris climate change accords. Ontario, Quebec, British Columbia, and Alberta, Canada's four most populous provinces, either already have a price on carbon or are implementing one. Federal legislators in Ottawa will vote this week on ratification of the Paris agreement to reduce 2030 carbon emissions by 30 percent from 2005 levels. Alberta Premier Rachel Notley said her province would "not be supporting this proposal absent serious concurrent progress on energy infrastructure." Aides said this was a reference to Kinder Morgan's proposal to twin its Trans Mountain crude pipeline from the Alberta oil sands to the Pacific coast. Ottawa has until December 19 to decide on the project, which is opposed by environmentalists.

Reuters, 15:17 October 3, 2016

International News

Libya's AGOCO Says Production Rises to 320,000 b/d October 3

Libya's Arabian Gulf Oil Company (AGOCO) said on Monday that its production had risen to 320,000 b/d from 290,000 b/d late last week, helping to push the country's production above 500,000 b/d. The increase followed a rise in production at the Sarir field to around 200,000 b/d, and as production at Nafoura reached 29,000 b/d, an AGOCO spokesman said. He said AGOCO could reach its year-end target of 350,000 b/d if the Bayda field came back on line. AGOCO, a subsidiary of the National Oil Corporation (NOC) that operates mainly in eastern Libya, has roughly doubled production since forces loyal to eastern commander Khalifa Haftar seized blockaded oil terminals last month and the NOC announced it would reopen them for exports. The head of the NOC's measurement department said it was hoped that national production, which was between 450,000 – 490,000 b/d last week, would increase further at the end of the month. Conflict, militant attacks, and political and labor disputes reduced Libya's output from the 1.6 million b/d the OPEC member was producing before a 2011 uprising.

Reuters, 12:03 October 3, 2016

Energy Prices

U.S. Oil and Gas Prices			
October 3, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	48.75	45.57	45.49
\$/Barrel			
NATURAL GAS			
Henry Hub	2.84	3.03	2.37
\$/Million Btu			

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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