



ENERGY ASSURANCE DAILY

Friday Evening, January 09, 2015

Electricity

Update: SCE&G's 966 MW Summer Nuclear Unit in South Carolina at Full Power by January 9

On the morning of January 8 the unit was operating at 86 percent reduced from full power by January 2.

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

Update: AES's 332 MW Alamitos Gas-fired Unit 3 in California Returns to Service by January 8

The unit returned from an unplanned outage that began by January 7.

<http://content.aiso.com/unitstatus/data/unitstatus201501081515.html>

San Diego Gas & Electric's 575 MW Palomar Gas-fired Unit in California Reduced by January 8

The unit entered an unplanned curtailment of 300 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201501081515.html>

Petroleum

Nebraska Supreme Court Backs TransCanada's Keystone XL Pipeline Route

The Nebraska Supreme Court on Friday approved the route for the Keystone XL oil pipeline, reversing a lower court that had blocked the proposal and clearing the way for a U.S. State Department ruling on the plan. The court said it was divided and could not reach a substantive decision, leaving in place legislation that favored TransCanada Corp. and its claim to build a crude oil pipeline across the state. The court's decision allows the U.S. State Department to decide whether the pipeline meant to carry crude oil produced from the Canadian oil sands would be in the national interest, a necessary step for the cross-border energy project. Environmentalists oppose Keystone since it could help expand oil sands development and President Obama has said he will weigh whether the project might worsen climate change. Officials have said they could not test whether the project is in the national interest before the Nebraska Supreme Court rules and Friday's decision cleared the way.

http://www.rigzone.com/news/oil_gas/a/136691/Nebraska_Supreme_Court_Back_Keystone_XL_Pipeline_Route

North Dakota's Department of Mineral Resources Says \$55 Per Barrel Oil Price Needed to Keep Output Steady

North Dakota needs an oil price of around \$55 per barrel at the wellhead and a fleet of about 140 rigs to sustain production at the current level of 1.2 million b/d, the director of the Department of Mineral Resources said on Thursday. The director outlined breakeven rates for wells across the state and production projections for a range of prices in a presentation for the House Appropriations Committee of the State Legislature. Breakeven rates for new wells, the level at which all drilling would cease, range from \$29 in Dunn county and \$30 in McKenzie to \$36 in Williams and \$41 in Mountrail. These four counties account for 90 percent of the drilling in the state. The director said that Flint Hills Resources' posted price for North Dakota crude was just \$32, compared with almost \$49 per barrel for WTI. Wellhead prices, which are roughly an average of the two, are around \$40 and have been falling since the start of this year.

<https://www.dmr.nd.gov/oilgas/presentations/FullHouseAppropriations010815.pdf>

Reuters, 10:47 January 9, 2015

Mexico Proposes 100,000 b/d Crude Oil Swap with U.S

Mexico's state oil company, Pemex, said on Thursday it proposed an oil swap with the U.S. to import up to 100,000 b/d of light crude and condensates to mix with its own heavier crude at domestic refineries. Under the proposal, Mexico would in exchange provide the U.S. with heavier Mexican crude for processing at U.S. refineries, and would use the imports from the U.S. to boost local gasoline and diesel output, Pemex said. An official at Pemex said the oil swap could go ahead as soon as the first quarter of this year. The proposal, which is still being negotiated with the U.S. government, does not signal an increase in Mexican oil shipments to the U.S., Pemex said.

http://www.pemex.com/prensa/boletines_nacionales/Paginas/2015-002-nacional.aspx#.VLACSCvF-5g

http://www.downstreamtoday.com/news/article.aspx?a_id=45947

American Eagle Energy Reports 250 Barrel Saltwater Spill Due to Frozen Pipes in North Dakota January 6

The North Dakota Oil and Gas Division announced January 7 that American Eagle Energy Corp. reported a saltwater spill January 6 of 250 barrels near Fortuna. A frozen pipe caused the spill which was contained and recovered on the site.

<http://www.kxnet.com/story/27786904/state-says-frozen-pipe-causes-250-barrel-saltwater-spill>

Citgo Reports FCCU Running at Normal Rates after Upset at Its 163,000 b/d Corpus Christi, Texas Refinery January 8

Citgo Petroleum Corp reported its fluid catalytic cracking unit (FCCU) was running at normal rates after experiencing an upset and emissions, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 18:13 January 8, 2015

Reuters, 17:03 January 8, 2015

Delek Reports Catalytic Cracker Unit Flaring at Its 60,000 b/d Tyler, Texas Refinery January 8

Reuters, 18:57 January 8, 2015

Philadelphia Energy Solutions Says Gulfiner Unit Back in Operation at Its 335,000 b/d Philadelphia, Pennsylvania Refinery January 8

Reuters, 13:09 January 9, 2015

Citgo Reports Flaring at Its 172,045 b/d Lemont, Illinois Refinery January 8

Reuters, 4:08 January 9, 2015

Natural Gas

Nothing to report.

Other News

EPA Proposes New Rule to Require Reporting Emissions from Fracking Operations

The U.S. Environmental Protection Agency (EPA) proposed a new rule as part of their Greenhouse Gas Reporting Program that would require energy companies to report to the federal government all greenhouse gas emissions from oil well fracking operations and natural gas compressor stations and pipelines. The proposed rule is expected to be finalized in 2015.

http://www.kitsapsun.com/news/state/epa-moves-to-count-methane-emissions-from-fracking_76305968

Copper Thefts Reported at FirstEnergy's Shut Mitchell Power Station in Pennsylvania

Two break-ins in the last two months at the Mitchell Power Station in Washington County, Pennsylvania are being investigated by police due to equipment and interior damages that occurred alongside stolen copper. One incident November 9 involved six suspects while a December 31 incident involved the cutting of a fence, but police stated that it was not clear if the incidents are related. The power plant was shut down in October but a spokeswoman for First Energy said the facility is continuing to operate as a transmission substation, meaning some components of the facility are still energized at 100 kV or more.

<http://www.post-gazette.com/local/washington/2015/01/07/Police-look-for-suspects-in-Mitchell-Power-Station-theft-First-Energy-Pennsylvania-Washington-County/stories/201501070171>

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
January 9, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	48.30	53.56	90.97
NATURAL GAS Henry Hub \$/Million Btu	2.91	2.99	4.36

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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