



# ENERGY ASSURANCE DAILY

Tuesday Evening, February 10, 2015

## *Electricity*

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### **U.S. Electric Companies Use Record Natural Gas to Generate Power in January**

U.S. electric companies in the lower 48 states used record amounts of natural gas to generate power in January 2015 as low prices made it more economical to burn gas instead of coal. Power generators used an average 23.1 Bcf/d of gas in January 2015, up 13 percent from the 20.5 Bcf/d average in January 2014, according to Thomson Reuters Analytics. That was the most gas consumed by the power sector during the month of January on record, according to federal data going back to 1973.

<http://finance.yahoo.com/news/u-burns-record-natgas-generate-142417003.html>

### **Calpine's 525 MW Sutter Gas-fired Unit in California Shut by February 9**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201502091515.html>

### **Update: Crockett LP's 240 MW Gas-fired Unit in California Returns to Service by February 9**

The unit returned from an unplanned outage that began by February 8.

<http://content.caiso.com/unitstatus/data/unitstatus201502091515.html>

### **AES's 175 MW Redondo Gas-fired Unit 6 in California Shut by February 9**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201502091515.html>

### **SunEdison, PermaCity to Develop, Operate 22 MW of Rooftop Solar in California**

SunEdison, Inc. today announced an agreement with PermaCity to develop, build and operate 22 MW of rooftop solar as part of the Beacon Bundled Solar contract that the Los Angeles Department of Water and Power (LADWP) awarded to SunEdison in July 2014. SunEdison and PermaCity will lease publicly and privately owned roof space in the LADWP service area to fulfill the 22 MW commitment.

<http://www.prnewswire.com/news-releases/sunedison-announces-agreement-with-permacity-to-develop-and-operate-22-megawatts-of-rooftop-solar-in-los-angeles-300033519.html>

## *Petroleum*

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### **Striking USW Members Bring Oil Industry Safety Campaign to Europe**

A delegation of striking refinery workers from the United Steelworkers (USW) will bring their campaign for a safer oil industry to Europe, meeting with allies from labor unions in the Netherlands and Great Britain, according to USW officials. USW members will meet with leaders from the FNV oil workers union at Shell and LyondellBasell in the Netherlands today through Wednesday and then travel to London on Thursday to meet with leaders from Unite the Union, the largest industrial union in Great Britain and Ireland. More than 5,000 USW members are on strike at 11 refineries owned by Shell, Marathon, Tesoro, BP, and LyondellBasell, with the USW citing concerns about safety, onerous overtime, and unsafe staffing levels.

<http://www.hydrocarbonprocessing.com/Article/3425842/Latest-News/Striking-US-refinery-workers-campaign-in-Europe.html>

## **Marathon Shuts FCCU, Alkylation Unit at Its 530,000 b/d Garyville, Louisiana Refinery February 7 – IIR Energy**

Marathon Petroleum Corp shut the 134,000 b/d fluid catalytic cracking unit (FCCU) and associated 28,000 b/d alkylation unit at its Garyville, Louisiana, refinery because of unknown mechanical issues on February 7, according to industry information provider IIR Energy. IIR said it expected the units to return to service this weekend. Reuters, 11:23 February 9, 2015

## **PBF Reports Sulfur Dioxide Emissions at Its 182,200 b/d Delaware City, Delaware Refinery February 7**

Reuters, 7:39 February 10, 2015

## **Shell Reports SRU Shut at Its 145,000 b/d Puget Sound, Washington Refinery February 9**

Reuters, 12:10 February 10, 2015

## **Tesoro Says Operations Normal after Flare Event at Its 120,000 b/d Anacortes, Washington Refinery February 5**

Tesoro Corp said there was no impact to operations as a result of a flare event on February 5 at its Anacortes, Washington refinery.

Reuters, 12:51 February 10, 2015

## **Texas Oil Rig Count Falls by More than 200 in Past Two Weeks – Baker Hughes**

More than 200 drilling rigs were taken out of service in Texas in the past two weeks as crude oil prices remained between \$45 and \$50 per barrel, according to Baker Hughes. One year ago, Texas had 845 rigs going compared to 654 operating now. Nationwide, more than 400 drilling rigs were taken out of service in two weeks, with 280 of those being oil rigs. There were 417 rigs operating in the Permian Basin last week, 103 fewer than just two weeks ago. The Eagle Ford Shale saw declines, too, declining by 58 rigs in two weeks.

<http://www.bizjournals.com/dallas/news/2015/02/09/texas-rig-count-falling-by-the-hundreds-as-ope.html?ana=yahoo>

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## ***Natural Gas***

### **Williams and DCP Midstream Announce First Gas from 400 MMcf/d Keathley Canyon Connector in Ultra-Deepwater Gulf of Mexico**

Williams Partners on Monday announced with DCP Midstream Partners, LP that the new extended Discovery natural gas gathering pipeline system is now flowing natural gas. The Keathley Canyon Connector™ deepwater gas gathering pipeline system and the South Timbalier Block 283 junction platform are serving producers in the central ultra-deepwater Gulf of Mexico. The 20-inch, 209 mile Keathley Canyon Connector, which is capable of gathering more than 400 MMcf/d of natural gas, originates in the southeast portion of the Keathley Canyon protraction area and terminates into Discovery's 30-inch diameter mainline at Discovery's new junction platform. The pipeline was constructed in depths of up to 7,200 feet of water approximately 300 miles south-southwest of New Orleans. The Keathley Canyon Connector extension is supported by long-term agreements with the Lucius and Hadrian South owners, as well as the Heidelberg and Hadrian North owners, for natural gas gathering, transportation and processing services for production from those fields. In addition, the new pipeline system is in proximity to other high-potential deepwater Gulf of Mexico discoveries and prospects.

<http://investor.williams.com/press-release/williams/williams-and-dcp-midstream-partners-announce-first-gas-ultra-deepwater-gulf-m>

### **Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas February 9**

Regency reported the acid gas injector (AGI) compressor shut on high amine system pressure. The amine system pressure was fluctuating as operators tried to pinpoint the root cause and stabilized the system. Once the pressures were stabilized, the compressor was reset and restarted.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=209918>

## Enbridge Reports Condensate Tank Flare Shut at Its Tilden Gas Plant in Texas February 9

Enbridge reported the condensate tanks flare (F-4) went out due to a blower control malfunction. The condensate tanks flare (F-4) flare was started and a new blower installed.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=209917>

## Other News

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### Union Pacific Train Derails, Spills 350 Tons of Coal in Nebraska February 5

Three cars of a Union Pacific Railroad coal train derailed on the Omaha Public Power District's (OPPD) Arbor Line near Nebraska City February 5 and spilled about 350 tons of coal. The rail line reopened February 6 after crews cleared the scene and made repairs to the tracks, allowing the train to complete its trip to the OPPD coal plant.

[http://journalstar.com/news/state-and-regional/union-pacific-cleans-up-coalspill/article\\_767cbbd5-cf98-5323-b211-b1bd231dd667.html](http://journalstar.com/news/state-and-regional/union-pacific-cleans-up-coalspill/article_767cbbd5-cf98-5323-b211-b1bd231dd667.html)

## International News

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### Update: Libya Reopens Hariga Oil Port, Ending Strike

Libya reopened its oil port of Hariga on Tuesday, ending a strike by guards that threatened to further cut petroleum production that is already battered by factional fighting over two export terminals. Libya shut most operations at the Hariga terminal near Egypt's border – the last functioning land oil export terminal on Saturday after security guards prevented a tanker from docking in a protest over wage payments. Libya's two largest oil ports, Es Sider and Ras Lanuf – with a combined capacity of around 600,000 b/d – have been closed by fighting between the two loose confederations of armed factions since December.

Reuters, 11:10 February 10, 2015

## Energy Prices

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U.S. Oil and Gas Prices			
February 10, 2015			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	50.01	52.99	100.51
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.60	2.63	5.88

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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