



ENERGY ASSURANCE DAILY

Tuesday Evening, April 02, 2013

Electricity

SCE Submits Draft Plan to Restart San Onofre Nuclear Unit 2 in California April 1

Southern California Edison (SCE) submitted a draft license amendment request to the Nuclear Regulatory Commission (NRC) on Monday. The draft is designed to support safely restarting Unit 2 of the San Onofre Nuclear Generating Station to address customer electricity demand and grid reliability concerns during the upcoming summer months. SCE is considering submitting a final amendment request after discussing it with the NRC staff on Wednesday. The draft license amendment request, if finalized and submitted for NRC approval, would support SCE's plan to operate Unit 2 at 70 percent power for five months. Operating at 70 percent power prevents conditions that caused the tube-to-tube wear in Unit 3 that resulted in the nuclear plant being shut down since January 2012. SCE and three independent companies with expertise in nuclear generation have confirmed it is safe to operate the Unit 2 steam generators. The NRC has been evaluating these analyses, which are based on exhaustive testing and inspections, since October 2012.

<https://www.edison.com/pressroom/pr.asp?id=8107>

Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Restarts, Ramps Up to 93 Percent by April 2

The unit restarted and ramped up to 7 percent by April 1 and 93 percent by April 2. The unit had been shut since March 12 when it automatically tripped from full power when it exceeded the thermal margin/low pressure set point.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Southern's 870 MW Hatch Nuclear Unit 2 in Georgia Reduced to 77 Percent by April 2

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Dynegy Moss Landing, LLC's 510 MW Moss Landing Power Block 2 Gas-fired Unit in California Returns to Service by April 1

The unit returned from an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201304011515.html>

Ace Cogeneration Company's 118 MW Ace Cogeneration Coal-fired Unit in California Returns to Service by April 1

The unit returned from an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201304011515.html>

Minnesota Power Completes New 230-kV and 115-kV Transmission Lines to Energize Essar Steel Minnesota Facility

Minnesota Power has completed the installation of several related electric infrastructure projects including substations and new transmission lines near Nashwauk, Minnesota, that will energize the Essar Steel Minnesota taconite mine and processing facility. The project, which took two years to complete, included construction of three new 230-kilovolt (kV) transmission lines, one of which has a five-mile segment of double circuit 230 kV and 115 kV line. A 230-kV line was removed, and a 115-kV line was re-routed around the Essar property, tying a Great River Energy circuit to the Minnesota Power 115 -kV system, and providing fiber communications to two new substations. In total, 28 miles of lines were built and 21 miles were re-routed or removed. Substation construction began in August 2011 and was finished earlier this month. Work on the 230-kV project was completed March 8. Remaining work on the 115-kV line will be completed in about two weeks.

http://www.mnpower.com/Content/Documents/Company/PressReleases/2013/20130402_NewsRelease.pdf

Update: Arkansas Launches Investigation into Crude Oil Spill from ExxonMobil's 96,000 b/d Pegasus Pipeline

Arkansas has launched an investigation into the pipeline rupture and oil spill that caused 12,000 barrels of oil and water to leak near Mayflower, Arkansas. On Friday, Exxon shut its 96,000 b/d Pegasus crude oil pipeline after the leak was discovered. The 20-inch, 848-mile Pegasus pipeline originates in Patoka, Illinois and was carrying low-quality Wabasca Heavy crude oil from Alberta to the line's terminating point at Nederland, Texas at the time of the leak. Attorney General Dustin McDaniel asked Exxon to preserve all documents related to the pipeline spill and the ongoing cleanup efforts.

<http://www.reuters.com/article/2013/04/02/exxon-pipeline-spill-idUSL2N0CP0UT20130402>

Update: Repair and Rebuilding Work on CDU at Chevron's 245,000 b/d Richmond, California Refinery Complete April 1 After August 2012 Fire

Chevron Corp on Monday said it has completed repairs to the crude distillation unit (CDU) damaged by an explosion and fire last August. Chevron expects to resume normal production rates in the second quarter of this year after meeting regulatory guidelines.

Reuters, 21:37 April 1, 2013

Phillips 66 Shuts Several Units at its 198,400 b/d Ponca City, Oklahoma Refinery Due to Severe Weather April 1

Severe weather forced Phillips 66 to shut several units at its Ponca City refinery on Monday. Some of the units have been restarted while others are in the process of restarting.

Reuters, 15:13 April 1, 2013

Unplanned Maintenance Cuts Rates at CVR Energy's 70,000 b/d Wynnewood, Oklahoma Refinery April 2, 2013

CVR Energy Inc reported emissions at its 70,000 b/d refinery in Wynnewood, Oklahoma, according to a filing with the U.S. National Response Center. The facility has reduced product to minimal rates, the filing said.

Reuters, 00:36 April 2, 2013

Phillips 66 Reports Compressor Trip at its 362,000 b/d Roxana, Illinois Refinery April 2

Phillips 66 reported a compressor tripped offline on Tuesday at its 362,000 b/d Wood River refinery in Roxana, Illinois. There were sulfur dioxide emissions that coincided with the failure. The unit involved in the incident was not identified.

Reuters, 04:14 April 2, 2013

The Three Affiliated Tribes to Break Ground on the 20,000 b/d Thunder Butte Petroleum Services Refinery in Makoti, North Dakota

The Three Affiliated Tribes is planning to break ground this spring on a proposed 20,000 b/d refinery near Makoti, North Dakota in the northeastern corner of the Fort Berthold Indian Reservation. The project, also known as the Thunder Butte Petroleum Services refinery, will produce diesel fuel, propane and naphtha from Bakken crude oil. The refinery was originally planned to have a capacity of 15,000 b/d. The tribes are currently working on acquiring financing and the initial phases of engineering. The refinery has been under development for 10 years, with various federal permits and other approvals slowing down the process.

<http://www.inforum.com/event/article/id/395088/group/homepage/>

TransCanada Launches Binding Open Season for Proposed 850,000 b/d Eastern Oil Pipeline in Canada

TransCanada Corporation announced today that it will hold a binding open season from April 15 to June 17 to obtain firm commitments from interested parties for a pipeline to transport crude oil from Western Canada to Eastern Canadian markets. The Energy East Pipeline project involves converting natural gas pipeline capacity in approximately 3,000 kilometres of TransCanada's existing Canadian Mainline to crude oil service and constructing up to approximately 1,400 kilometres of new pipeline. Subject to the results of the open season, the project will have the capacity to transport as much as 850,000 b/d. Following the completion of the open season, if it is successful, TransCanada intends to proceed with the necessary regulatory applications for approvals to construct and operate the required facilities, with a potential in-service date in late-2017.

<http://www.transcanada.com/6280.html>

Natural Gas

Phillips 66 Proposes 100,000 b/d NGL Fractionation Facility in Old Ocean, Texas Near its Sweeny Refinery

Phillips 66 has announced it is pursuing development of a 100,000 b/d natural gas liquids (NGL) fractionator in Old Ocean, Texas near its Sweeny Refinery. Construction is planned to begin in the first half of 2014 and the project is expected to be completed in the second half of 2015. NGL feedstock for the Old Ocean fractionator project would be supplied by several nearby pipelines.

http://www.phillips66.com/EN/newsroom/news_releases/2013NewsReleases/Pages/04-02-2013.aspx

Other News

Kinder Morgan to Expand Methanol Storage Facility Near Geismar, Louisiana

Kinder Morgan Energy Partners, L.P. announced that it will invest \$58 million to expand its chemical storage facility near Geismar, Louisiana. Methanex Corporation will support the construction of the facility. The expansion is expected to be completed in the second half of 2014. The facility's marine, rail and truck stations will be able to support a 1 mpta methanol production plant being relocated by Methanex Corporation from Chile.

<http://www.downstreamtoday.com/News/ArticlePrint.aspx?aid=39088>

International News

HOVENSA and U.S. Virgin Islands Reach Agreement on Sale of St. Croix Refinery

The U.S. Virgin Islands and HOVENSA, the owner and operator of the St. Croix refinery, have agreed to a sale process for the shuttered plant. Under the agreement, the St. Croix refinery could be restarted if a buyer can be found. The refinery was turned into a storage facility last year after it began losing money. A new owner would have to reapply for air and water permits if a decision is made to restart the refinery.

Reuters, 18:58 April 1, 2013

Energy Prices

U.S. Oil and Gas Prices			
April 2, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	96.53	95.18	104.65
NATURAL GAS Henry Hub \$/Million Btu	3.97	4.08	2.00

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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