



ENERGY ASSURANCE DAILY

Wednesday Evening, April 06, 2016

Electricity

FirstEnergy Expanding Hoytdale Substation in Pennsylvania to Enhance Service Reliability

FirstEnergy on Wednesday announced it is expanding its Hoytdale substation in Wampum, Pennsylvania, to accommodate new equipment designed to reinforce the regional electric system and enhance service reliability for Penn Power utility customers. The \$48 million project includes the installation of specialized voltage-regulating equipment that is designed to respond to real-time electrical conditions, boosting or reducing voltage as needed to maintain consistent levels on the regional transmission network. The substation work also includes installing capacitor banks, circuit breakers, transformers, communications equipment, and a small control building. The work at the Hoytdale substation is expected to be completed by early June.

https://www.firstenergycorp.com/newsroom/news_releases/expansion-of-hoytdale-substation-in-wampum-underway.html

Petroleum

Update: TransCanada Delays Restart of Its 590,000 b/d Keystone Crude Pipeline to April 12 – Traders

TransCanada Corp is delaying the restart of its Keystone crude pipeline to Tuesday from Friday, four traders familiar with the matter said on Wednesday. A TransCanada spokesman confirmed in an email that the company had informed its customers that the earliest restart date is early next week. The line, which delivers crude from Hardisty, Alberta to Cushing, Oklahoma, and to Illinois, was shut over the weekend after a potential leak. TransCanada, in a meeting on Tuesday afternoon with committed shippers, said the pipeline would restart by next Tuesday at the earliest, sources said. The outage has disrupted crude supplies to Midwest refiners, forcing refiner Phillips 66 to cut run rates at its 336,000 b/d Wood River refinery in Roxana, Illinois. On Tuesday, Phillips 66 shut a 64,000 b/d sour crude unit and a 16,000 b/d coker unit at the Wood River refinery. TransCanada has said it will only restart the line after receiving approval from the Pipeline Hazardous Materials Safety Administration. (PHMSA).

Reuters, 11:25 April 6, 2016

Reuters, 11:58 April 6, 2016

Valero Reports Excess Opacity at Its 86,000 b/d Ardmore, Oklahoma Refinery March 29, April 4

Valero Energy Corp reported excess opacity at its Ardmore, Oklahoma refinery on April 4 and March 29, according to a filing with the Oklahoma Department of Environmental Quality.

Reuters, 12:10 April 6, 2016

Citgo Reports Operating Equipment Issue at Its 163,000 b/d Corpus Christi West, Texas Refinery April 6

Citgo Petroleum Corp said it was addressing an operating equipment issue at its Corpus Christi West, Texas refinery on Wednesday, according to a community information line.

Reuters, 11:47 April 6, 2016

CVR Energy's 70,000 b/d Wynnewood, Oklahoma Refinery Reports Excess Opacity March 30, Flaring April 1, 4

CVR Energy reported excess opacity at the fluid catalytic cracking unit regenerator at its Wynnewood, Oklahoma refinery on March 30. In addition, CVR reported flaring on April 1 and 4, according to a filing with the Oklahoma Department of Environmental Quality.

Reuters, 12:23 April 6, 2016

Total Reports Normal Operations after Unit Shutdown at Its 225,500 b/d Port Arthur, Texas Refinery April 5

Total SA reported its Port Arthur, Texas refinery was operating normally on Tuesday after experiencing an upset in the sulfur recovery unit (SRU) and the shutdown of unit 881, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 6:06 April 5, 2016

U.S. Crude Inventories Fall 4.9 Million Barrels from Record High – EIA

Crude inventories fell 4.9 million barrels in the week to April 1, compared with analysts' expectations for an increase of 3.2 million barrels, data from the Energy Information Administration (EIA) showed on Wednesday. Crude stocks at the Cushing, Oklahoma delivery hub rose 357,000 barrels, EIA said. U.S. crude imports fell 446,000 b/d, with some pointing to weather issues in the Houston Ship Channel last week. Refinery utilization rates rose 1 percentage point to 91.4 percent of total capacity, although usage could ebb with more maintenance expected this month.

Reuters, 11:09 April 6, 2016

Oasis Petroleum Announces Open Season for Its 50,000 b/d Johnson's Corner Pipeline in North Dakota April 5

Oasis Petroleum Inc. on Tuesday announced that Oasis Midstream Services, a wholly-owned subsidiary of Oasis, commenced a binding open season for its proposed 19-mile, 10-inch Johnson's Corner crude oil pipeline project connecting the Wild Basin field development with Johnson's Corner in McKenzie County, North Dakota.

The open season will close on Monday, May 9.

<http://oasispetroleum.investorroom.com/2016-04-05-Oasis-Petroleum-Inc-Announces-Johnsons-Corner-Pipeline-Open-Season>

Natural Gas

Regency Reports Third Party Power Outage at Its 290 MMcf/d Waha Gas Plant in Texas April 3

Regency reported a plant upset due to a third party power outage which resulted in low suction and pressure swing in the amine system. The plant processes were lined out once power was restored and the acid gas injector compressor was reset and restarted.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=230711>

ExxonMobil Reports Unit Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas April 4

ExxonMobil reported a unit shut on high second stage discharge pressure. While attempting to restart, smoke was observed coming from a crank case and metal on metal contact was heard inside the unit. All available wells were shut in and gas was diverted to reduce and mitigate emissions.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=230690>

Other News

Nothing to report.

International News

Iraq's Basra Port Experiencing Loading Delays, 27-Tanker Traffic Jam April 6

A traffic jam of 27 large oil tankers has built up outside the Iraqi port of Basra due to loading delays, with some waiting up to three weeks and costing ship operators around \$75,000 a day per vessel. Shippers and port sources said more delays are expected throughout April as the city's facilities struggle to cope with Iraq's increasing crude output. The problems at Basra, coupled with continuing storage tank shortages in China, have pushed supertanker rates from the Middle East to Asia to unseasonal highs as the delays disrupt future sailing schedules and charterers cover future tonnage requirements. There are 27 very large crude carrier (VLCC) and suezmax tankers with a combined capacity of 43 million barrels waiting off Basra, shipping data on the Reuters Eikon terminal showed. This is about twice the norm expected at the port. Iraq exported an average of 3.26 million b/d through its southern terminals in March, up from 3.22 million b/d the previous month and just 2.5 million b/d in 2010.

<http://www.reuters.com/article/us-iraq-oil-tanker-traffic-idUSKCN0X315L>

Energy Prices

U.S. Oil and Gas Prices			
April 6, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	37.69	36.68	52.03
NATURAL GAS Henry Hub \$/Million Btu	1.90	1.77	2.59

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>

Please direct comments and questions to: ead@oe.netl.doe.gov