



ENERGY ASSURANCE DAILY

Friday Evening, May 15, 2015

Electricity

Transformer Fire Extinguished at Salt River Project's 1193 MW Gas-fired San Tan Generating Station in Arizona May 15

Firefighters put out a transformer fire at Salt River Project's San Tan Generating Station in Gilbert, Arizona Friday morning. Burning mineral oils were responsible for the black smoke, but the supply of mineral oil was shut off and firefighters were able to quickly put out the flames out with foam. No cause had been determined and no outages were reported.

<https://twitter.com/SRPconnect>

<http://www.azfamily.com/story/29073851/gilbert-transformer-fire-sends-black-smoke-across-valley>

<http://www.srpnet.com/about/stations/santan.aspx>

North America Has Enough Power for Peak Summer Demand – NERC

North America has enough power supplies to meet expected demand summer when air conditioning causes usage to peak, the North American Electric Reliability Corp (NERC) said Friday. NERC however said utilities would have to overcome the ongoing transformation of the generation mix from coal to natural gas and renewables and the severe drought in California. Although California's drought will significantly reduce hydro power supply, NERC said the state will have enough power due to significant renewable generation additions, sufficient imports, and moderate peak demand growth. In its summer assessment, NERC also pointed to concerns in New England where more gas infrastructure is needed as the region increases its reliance on gas to fuel its power generators. NERC said ongoing gas infrastructure expansion and outages in New England were not expected to compromise reliability over the summer. NERC said all regions "appear to have sufficient resources to meet peak summer demand with some areas, such as the Electric Reliability Council of Texas, continuing to see improved reserved margins." Overall, NERC said the amount of generation expected to be available this summer was down from last summer with 1,040 GW of prospective generation available this summer versus 1,043 GW last summer.

<http://www.nerc.com/news/Pages/Resources-Adequate-to-Meet-Summer-Electricity-Demand-in-North-America-Assessment-Shows-.aspx>

Update: Exelon's 619 MW Oyster Creek Nuclear Unit in New Jersey Ramps Up to 83 Percent by May 15

On the morning of May 14 the unit was operating at 20 percent after restarting and ramping up to 10 percent by May 13. The unit experienced an automatic reactor scram from full power on May 7 due to a turbine trip.

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

FPL's 693 MW Turkey Point Nuclear Unit 4 in Florida Ramps Up to 99 Percent by May 15

On the morning of May 14 the unit had restarted and ramped up to 2 percent. The unit was shut from full power on May 8.

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

PG&E's 641 MW Colusa Gas-fired Unit in California Reduced by May 14

The unit entered an unplanned curtailment of 479 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201505141515.html>

Mojave Solar's 250 MW Solar Unit in California Reduced by May 14

The unit entered an unplanned curtailment of 125 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201505141515.html>

USW Scheduled to Vote on Contract at Marathon's 451,000 b/d Galveston Bay, Texas Refinery May 18

Striking workers at Marathon Petroleum Corp's Galveston Bay, Texas, refinery are scheduled to vote this Monday on a new contract proposal hammered out by a federal mediator, company and union officials said on Thursday. If the proposed contract is ratified, the two sides would then have to reach terms for return to work agreements.

http://www.downstreamtoday.com/news/article.aspx?a_id=47686

Washington State Governor Inslee Enacts Oil Train Safety Bill into Law May 14

On Thursday, Governor Jay Inslee signed into law a measure that attempts to improve the safety of oil transportation as a sharp increase in trains carrying volatile crude oil poses new safety and environmental risks in the state. For rail operators, the bill requires submission of oil spill contingency plans to the Department of Ecology, requires demonstration of appropriate funding for responding to oil spills, and extends a barrel tax on oil and petroleum to help fund oil spill response. Petroleum facilities that receive oil by train must also provide weekly notice of the type and volume of oil shipped. The bill also requires grants to emergency responders to help pay for oil spill response and firefighting equipment.

<https://soundcloud.com/wastategov/gov-inslee-signs-oil-transportation-safety-bill>

http://www.downstreamtoday.com/news/article.aspx?a_id=47701

Phillips 66 Brings Units Back Online after Power Loss at Its 239,000 b/d Lake Charles, Louisiana Refinery May 15

Reuters, 12:33 May 15, 2015

Update: ExxonMobil Reported Its 238,600 b/d Joliet, Illinois Refinery Returning to Full Capacity May 15 after Snag May 13

ExxonMobil Corp said on Friday that its Joliet, Illinois, refinery was in the process of returning to full capacity following an incident earlier in the week. A spokeswoman said the non-impacted units of the refinery continued to operate after the incident occurred on Tuesday. She added that due to supply impacts, ExxonMobil was temporarily placing its customers at the Lockport terminal in Illinois on allocation for all products. The company reported a mechanical breakdown related to flaring and process equipment at the refinery with the Illinois Emergency Management Agency on Wednesday.

Reuters, 10:10 May 15, 2015

Citgo Reports Operational Upset Due to Heavy Rain at Its 163,000 b/d Corpus Christi, Texas Refinery May 15

Reuters, 15:04 May 15, 2015

Valero Reports Flaring at Its 200,000 b/d Corpus Christi, Texas Refinery Due to Third-Party Gas Plant Shutdown May 14

Valero reported emissions due to a third-party hydrogen plant shutdown at its Corpus Christi, Texas, refinery. Streams were routed to an authorized control device until the third-party facility was able to complete necessary repairs and return the plant to normal operating conditions, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 16:47 May 15, 2015

Natural Gas

Update: Columbia Gas Lifts Force Majeure on Its Eastern Waynesburg Line 1547 in Pennsylvania May 15

Columbia Gas Transmission reported work on line 1547 was complete and the force majeure was lifted effective intraday 1 cycle May 15. The company declared Force Majeure for deliveries at the Texas Eastern Waynesburg Interconnect on April 23 due to the unplanned line outage in Green County, Pennsylvania.

<http://www.columbiapipeline.com/infopost/>

Regency Reports AGI Shut at Its 290 MMcf/d Waha Gas Plant in Texas May 13

Regency reported low first stage suction and a high absorber level caused the plant to go sour. The sales line was also shut in. Gas was recycled to sweeten the gas back to product specification. The acid gas injector was reset and restarted when plant conditions allowed.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=214137>

UGI Energy Services to Build Natural Gas Liquefaction Plant in Pennsylvania

UGI Energy Services, LLC today announced plans to build a liquefied natural gas (LNG) production facility in northern Pennsylvania that will utilize Marcellus Shale gas. The proposed facility will be adjacent to UGI Energy Services' Manning natural gas compression station located in Wyoming County, Pennsylvania. Natural gas will be supplied by its Auburn gathering system, which transports Marcellus Shale gas produced from local wells to major interstate pipelines serving markets in the Mid-Atlantic region. The LNG plant, which will include both liquefaction and local storage, is expected to be in full commercial operation by early 2017 and have the capability of producing 10,000 dekatherms of LNG per day.

<http://finance.yahoo.com/news/ugi-energy-services-build-lng-201500895.html>

Williams' Completes Rockaway Delivery Lateral and Northeast Connector Pipeline

Williams today announced it placed into service its Rockaway Delivery Lateral and Northeast Connector projects, increasing natural gas delivery capacity to Brooklyn and Queens and helping New York City meet its clean-air goals. With a delivery capacity of 647,000 dekatherms per day, the Rockaway Delivery Lateral provides an additional connection between Williams' Transco transmission pipeline and the National Grid distribution system. The Rockaway project adds 3.2 miles of new Transco pipeline and related facilities in New York. The Northeast Connector project consists of equipment to increase compression at three existing Transco facilities in New Jersey and Pennsylvania and provides 100,000 dekatherms per day of firm transportation capacity from Transco's Station 195 in southeastern Pennsylvania to the Rockaway Delivery Lateral. The projects were developed to help meet the long-term clean energy needs of New York City while significantly enhancing reliability and serving growth on the National Grid system. The Rockaway Delivery Lateral project was specifically cited in New York City's PLANYC 2030 as an important part of achieving the city's goal of eliminating the use of high sulfur fuel oil.

<http://investor.williams.com/press-release/williams/williams-rockaway-delivery-lateral-and-northeast-connector-pipeline-projects->

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

| U.S. Oil and Gas Prices | | | |
|-------------------------------------|-------|----------|----------|
| May 15, 2015 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL | | | |
| West Texas Intermediate U.S. | 59.37 | 59.36 | 101.72 |
| \$/Barrel | | | |
| NATURAL GAS | | | |
| Henry Hub | 2.87 | 2.78 | 4.41 |
| \$/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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