



ENERGY ASSURANCE DAILY

Wednesday Evening, May 21, 2014

Electricity

Equipment Problems Knock Out Power to 17,000 Kentucky Utilities Customers May 21

A static line fell on a transmitter early Wednesday morning in western Kentucky, leaving an estimated 17,000 Kentucky Utilities Co. without power. According to the Kentucky Emergency Management Division, power was restored to most customers by 3:30 a.m. EDT Wednesday. When the static line fell on the transmitter, it caused an explosion that caused the power outage.

<http://surfky.com/index.php/communities/174-top-news-for-all-sites-touching-hopkins/48672-ku-confirms-cause-of-late-night-power-outage>

FirstEnergy Resumes Restart Process of 831 MW Beaver Valley Nuclear Unit 2 in Pennsylvania Following Manual Shutdown May 20

FirstEnergy Corp. resumed the startup process of unit 2 at its Beaver Valley, Pennsylvania, nuclear plant on Tuesday after making some valve adjustments. According to the Nuclear Regulatory Commission, operators manually shut down a reactor at the plant on Tuesday as it was in the process of restarting following a month-long refueling outage. The unit was operating at 18 percent earlier on Tuesday when water levels in one of the steam generators began to fluctuate. As of Wednesday morning, the plant was not generating power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

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

<http://triblive.com/news/adminpage/6145551-74/shut-nuclear-reactor#axzz32MY59u6a>

Reuters, 11:09 May 21, 2014

FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Ramps Up to 96 Percent by May 21

On the morning of May 20 the unit was operating at 82 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

FPL's 565 MW Duane Arnold Nuclear Unit in Iowa Reduced to 66 Percent by May 21

On the morning of May 20 the unit was operating at 99 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

Petroleum

Enterprise Products Begins Exporting Refined Products from Reactivated Beaumont, Texas Marine Terminal May 20

Enterprise Products Partners announced yesterday that it had loaded the first cargo of refined products for export from its reactivated marine terminal in Beaumont, Texas. Located on the Neches River, the terminal can load at rates up to 15,000 barrels per hour. The facility includes a dock with a 40-foot draft that can accommodate Panamax size vessels that have a capacity of up to 400,000 barrels. The terminal has access to more than 12 million barrels of refined products storage and receives products from eight refineries, representing approximately 3.3 million b/d of capacity, as well as the Colonial Pipeline. The improvements and modifications required to resume operations at the terminal, which included dredging, new pipeline construction, and the installation of new loading arms and vapor recovery systems, are supported by shipper commitments. Future plans for the Beaumont refined products terminal include the addition of a second dock and significant on-site storage for blending components.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&ID=1932581&highlight>

Trafigura Seeks Investors for Its Crude Oil Marine Terminal in Corpus Christi, Texas

Trafigura AG said May 21 it was seeking investors to buy a stake in its oil terminal in Corpus Christi, Texas. The company purchased the Texas Dock & Rail in early 2012 and has since revamped the facility with two deepwater tanker berths and an expanding suit of logistical assets. Energy Transfer Partners is building an 82-mile crude oil and condensate pipeline from the Eagle Ford oil shale play to Corpus Christi, Texas, which would have the capacity to transport approximately 100,000 b/d of crude oil and condensate. Trafigura is also partnering with Magellan Midstream Partners LP, which is building a condensate splitter at the port.

<http://www.reuters.com/article/2014/05/21/trafigura-texas-sale-idUSL1N0070EL20140521>

Dakota Prairie's 20,000 b/d Dickinson, North Dakota Refinery Scheduled to Start Operating in December

Construction of the Dakota Prairie Refining facility near Dickinson, North Dakota, is \$50 million over budget but is still on track to start operating in December 2014. The plant, which is about 60 percent finished, was started in March 2013. When completed, it will have the capacity to process 20,000 b/d of oil, with 7,000 b/d marketed locally and about 6,500 b/d shipped to Canada.

<http://www.inforum.com/event/article/id/435351/>

Petrobras Reports FCCU Emissions at 100,000 b/d Pasadena, Texas Refinery May 21

Petrobras Brasileiro SA reported emissions from the fluid catalytic cracking unit (FCCU) at its Pasadena, Texas, refinery Wednesday, according to the Texas Commission on Environment Quality. The report indicated that a process problem in a unit vessel caused catalyst carry over to the electrostatic precipitator, which could not capture all the catalyst, thus releasing some. Operators cleared the blockage and the unit resumed normal operations.

Reuters, 12:00 May 21, 2014

Update: Phillips 66 Working to Restart 44,500 b/d Santa Maria Upgrading Facility in California May 21

Phillips 66 said it was working to restart its Santa Maria upgrading facility in Arroyo Grande, California, Wednesday, following an unplanned shutdown caused by a power outage May 20.

Reuters, 11:26 May 21, 2014

Tesoro Performed Brief, Unplanned Maintenance at Its 166,000 b/d Golden Eagle Refinery in California May 20

Tesoro Corp. said Tuesday that operators performed a brief unplanned maintenance at its Golden Eagle refinery in Martinez, California. The company did not specify the unit where the work took place, but said the refinery was running normal and there was no impact to production.

Reuters, 17:58 May 20, 2014

EIA Downgrades Monterey Shale Recoverable Oil Estimates in California

U.S. Energy Information Administration (EIA) chief Adam Sieminski confirmed Wednesday for reporters that the EIA had reduced its outlook on the amount of oil recoverable from Monterey shale deposits in California, due to unique challenges in developing the resource. However, he would not confirm the new estimate as 600 million barrels, down 96 percent from a previous forecast of 13.7 billion barrels.

Reuters, 10:22 May 21, 2014

Natural Gas

36-Inch Florida Gas Transmission Pipeline Ruptures in Port St. John, Florida May 17

Florida Gas Transmission's 36-inch natural gas pipeline in Port St. John, Florida, near Florida Power & Light's 1,250 MW Cape Canaveral Next Generation Clean Energy Center, ruptured May 17. There were no reports of injuries and the cause of the rupture has not been determined. The pipeline transfers gas from Texas, Louisiana, Mississippi, and Alabama into Florida.

<http://www.floridatoday.com/story/news/local/2014/05/17/gas-leak-prompts-evacuations-in-north-cocoa/9210351/>

Hess Completes 130 MMcf/d Expansion of Tioga Gas Plant in North Dakota

Hess Corporation Monday commemorated the recently completed expansion of the Tioga Gas Plant, which more than doubles the operational capacity of the facility. The expansion brings a substantial improvement in efficiency and significantly reduces the amount of natural gas flared at Hess's operations, from about 25 percent before the plant was shut down for the expansion project to 15 to 20 percent today. The plant is fully operational and is currently processing about 120 MMcf/d, with the expectation that through the combination of Hess and third-party gas it will soon process at least 250 MMcf/d with the potential to increase beyond 300 MMcf/d. Prior to the expansion, the plant processed about 100 MMcf/d.

<http://phx.corporate-ir.net/phoenix.zhtml?c=101801&p=irol-newsArticle&ID=1932344&highlight=>

Other News

Nothing to report.

International News

Update: Statoil to Resume Partial Production at Snorre B Oil Platform in Norway

Norway's Statoil said Wednesday that it will resume partial production of oil at its Snorre B platform in the North Sea, following a shutdown May 19, due to an oil leak under a drilling template. The company said it would hold off fully resuming production until it completed an investigation into what caused the leak. The Snorre field is Norway's fourth largest oil producer, averaging 88,000 b/d in 2013.

http://www.rigzone.com/news/oil_gas/a/133190/Statoil_Working_on_Partial_Restart_of_Snorre_B_Field_in_North_Sea

Update: Kazakhstan's Kashagan Oilfield May Not Restart Until 2016 – Oil Minister

Oil output at Kazakhstan's giant Kashagan oilfield may not restart until 2016, Kazakhstan's oil minister said Wednesday. Production at Kashagan started last September but was halted in early October after the discovery of gas leaks in the project's pipeline network. However, leaks in the pipeline system led to the North Caspian Operating Company (NCOC) having to replace the entire pipeline system. NCOC said last month that it did not expect to produce oil this year due to the leaks.

Reuters, 4:53 May 21, 2014

Energy Prices

U.S. Oil and Gas Prices			
May 21, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	104.38	102.81	94.54
NATURAL GAS Henry Hub \$/Million Btu	4.51	4.46	4.10

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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