



# ENERGY ASSURANCE DAILY

Monday Evening, June 01, 2015

## *Electricity*

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### **Power Restored to Over 5,600 Austin Energy Customers after Substation Fire in Texas May 30**

Austin Energy has restored power to the approximately 5,670 customers that lost service after a small fire Saturday at the Techridge Substation in Texas. An Austin Energy spokesman said the fire was caused by a failed transformer and that all the equipment has had a lot of heavy use in the past couple weeks, with lightning strikes, outages, and surges of power.

<http://www.statesman.com/news/news/breaking-news/austin-energy-customers-without-power-after-substa/nmRbx/>

### **Indiana-Michigan Power's 1,000 MW D.C. Cook Nuclear Unit 1 in Michigan Shut May 31**

The unit shut from full power due to the failure of an emergency diesel generator.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150601en.html>

### **NMC's 522 MW Prairie Island Nuclear Unit 1 in Minnesota Shut May 31**

The unit was shut from full power due to a trip of the condensate and main feedwater pump.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150601en.html>

### **Update: Southern's 1,149 MW Vogtle Nuclear Unit 2 in Georgia at Full Power by May 31**

On the morning of May 30 the unit was operating at 62 percent, ramped up from 35 percent by May 29. The unit was reduced to 35 percent from full power by May 29.

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

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

### **NPPD's 764 MW Cooper Nuclear Unit in Nebraska Shut by May 30**

On the morning of May 29 the unit was operating at full power.

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

### **Update: Calpine's 880 MW Gas-fired Combined Cycle Delta Energy Center in California Returns to Service by May 31**

The unit returned from an unplanned curtailment of 320 MW that began by May 26.

<http://content.caiso.com/unitstatus/data/unitstatus201505311515.html>

### **Update: Cabrillo Power I, LLC's 110 MW Encina Gas-fired Unit 3 in California Returns to Service by May 31**

The unit returned from an unplanned outage that began by May 30.

<http://content.caiso.com/unitstatus/data/unitstatus201505311515.html>

### **Dynegy's 510 MW Moss Landing Gas-fired Unit 1 in California Shut by May 31**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201505311515.html>

## **BHE Renewables' 310 MW Solar Star Solar Unit 1 in California Shut by May 31**

The unit entered a planned and unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201505311515.html>

## **Update: City of Vernon's 134 MW Malburg Gas-fired Unit in California Returns to Service by May 29**

The unit returned from an unplanned outage that began by May 26.

<http://content.aiso.com/unitstatus/data/unitstatus201505291515.html>

## **ITC Files Permit Application with DOE for 1,000 MW ITC Lake Erie Connector Project June 1**

ITC Lake Erie Connector LLC, a subsidiary of ITC Holdings Corp., today announced it has filed a major permit application with the Department of Energy (DOE) for the ITC Lake Erie Connector merchant transmission line. The purpose of the DOE filing is to obtain the Presidential Permit necessary for international border-crossing projects. This application follows a May 22 filing with Canada's National Energy Board. The ITC Lake Erie Connector is a proposed 1,000 MW, bi-directional, high-voltage direct current (HVDC) merchant transmission line that will provide the first direct link between the markets of the Ontario Independent Electricity System Operator (IESO) and PJM Interconnection, LLC (PJM). ITC anticipates receiving all state, federal, and provincial permits for the ITC Lake Erie Connector by second quarter 2017, the commencement of construction in 2017, and commercial operation in 2019.

<http://www.itc-holdings.com/releases-news/item/943-itc-files-permit-application-with-u-s-department-of-energy-for-the-itc-lake-erie-connector-project.html>

## ***Petroleum***

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### **Update: Alberta Wildfires Retreat Slowly, 10 Percent of Oil Sands Crude Remains Shut-in June 1**

Firefighters made progress tackling wildfires in the key oil-producing region of northern Alberta on Monday, although a number of oil sands projects remained shut down, keeping 233,000 b/d, or around 10 percent, of total oil sands production offline. Over the weekend the number of fires dropped to 35 from 42 on Friday. Five were classed as out of control. The wildfire hazard in the Lac la Biche region, where Cenovus Energy Inc and Canadian Natural Resources Ltd evacuated two major projects, was downgraded to "moderate" from "extreme" by the Alberta government. A 77,000-acre fire continued to burn uncontrolled on a Canadian military air weapons range, about 9 miles from Cenovus' Foster Creek site and 16 miles from Canadian Natural's Primrose project. The fire did not grow overnight, however. Cenovus said the military was allowing teams into the weapons range on Monday to assess hazards related to air quality, power lines and wildlife. Cenovus had no estimate on when production would resume. The company also evacuated 90 construction workers from its Narrows Lake site last week due to a different fire roughly 9 miles away, and said that fire was now under control. The Narrows Lake project is not yet producing crude, and Cenovus said it planned to restart construction on Tuesday. Canadian Natural said it had no update on operations at its fire-affected sites. A 7,413-acre wildfire burning near MEG Energy Corp's Christina Lake site also remained out of control. Statoil ASA had evacuated nonessential staff from its 20,000 b/d Leismer oil sands project with no impact to production, and said on Monday it hoped to remobilize evacuated workers this week.

<http://www.cenovus.com/global/fire/forest-fire.html>

Reuters, 13:50 June 1, 2015

### **Update: Alaska DOT&PF Sets Tentative Date for Reopening Dalton Highway**

The Alaska Department of Transportation and Public Facilities (ADOT&PF) has set a tentative reopening date of the Dalton Highway for Friday, June 5. This date is dependent on weather and repair progression, among other factors. The highway is closed from Mile 335 to Mile 413 due to unprecedented flooding from the Sagavanirktok River. ADOT&PF was warning travelers that the road surface will be rough and narrow through the flood zone but the department aims to have a road width of at least 20 feet through the project zone to allow traffic to the North Slope to resume as soon as possible.

[http://dot.alaska.gov/comm/pressbox/arch\\_2015/PR15-2531.shtml](http://dot.alaska.gov/comm/pressbox/arch_2015/PR15-2531.shtml)

### **Update: Husky's 135,000 b/d Toledo, Ohio Refinery Reports Deal with Striking Workers May 30**

Managers at BP Plc and Husky Energy's joint-venture Toledo, Ohio, refinery said they reached agreement on a tentative contract on Saturday with United Steelworkers union (USW) workers, a step toward ending a strike that has lasted nearly four months. Temporary replacement workers have kept the Toledo refinery in operation since the strike began on February 8. No terms of the tentative pact were disclosed by the refinery on Saturday, but the agreement should be for four years and include a pay raise of 2.5 percent in the first year, 3 percent in the second and third year, and 3.5 percent in the fourth year. The pay raises were part of a national agreement reached in March between the USW and U.S. refinery owners. Workers at one other refinery, Marathon Petroleum's 451,000 b/d Galveston Bay Refinery in Texas City, Texas, remain on strike over local issues.

Reuters, 17:11 May 30, 2015

### **Update: CDU at PES' 335,000 b/d Philadelphia, Pennsylvania Refinery Remains at Half Capacity June 1 after Fire May 22 – Sources**

Philadelphia Energy Solutions' (PES) main crude unit was still running at limited rates Monday following a May 22 fire at its refinery in Philadelphia, a person familiar with the facility's operations said. The 200,000 b/d crude unit at the Girard Point section of the refinery has been running at roughly half capacity since May 25, following the small fire that initially shut down the unit completely. The repairs to the unit are ongoing, and it is uncertain when it will return to full operation, the source said. In addition, PES reported the startup of the Gulfiner unit on May 26 and unit 137 on May 24. Unit 231 was shut due to lack of feed on May 22.

Reuters, 8:50 June 1, 2015

Reuters, 14:54 May 29, 2015

### **Shell Reports Several Units Shut at Its 75,000 b/d Sarnia, Ontario Refinery June 1 after Hydrocarbon Release May 30**

Royal Dutch Shell Plc said on Monday that several process units have been shut at its refinery in Sarnia, Ontario, following a hydrocarbon release that injured a worker at the plant on Saturday. The company said there was no timeline yet as to when the units will be restarted. The worker, who was hurt while conducting a "routine activity inside the plant," was in a stable condition, the company said. The refinery's monitors showed no abnormal readings when the incident occurred, the company added.

Reuters, 11:24 June 1, 2015

### **Phillips 66 Reports Equipment Issues at Its 336,000 b/d Wood River, Illinois Refinery May 29**

Phillips 66 reported its Wood River refinery in Roxana, Illinois, faced equipment issues on Friday, according to a filing with the Illinois Emergency Management Agency. The incident led to sulfur dioxide emissions, the filing said. The company had last week said that planned work was underway at the refinery.

Reuters, 00:22 June 1, 2015

### **Shell Reports Restarting Unit at Its 255,000 b/d Scotford, Alberta Upgrader Facility May 30**

Royal Dutch Shell Plc reported it was restarting an unspecified unit at its Scotford upgrader facility near Edmonton, Alberta, according to a message posted on a community information phone line on Saturday. The activity may lead to intermittent flaring over the next 48 hours but there would not be any impact on production, the message said. Shell runs a 255,000 b/d oil sands upgrader facility and a 100,000 b/d refinery at Scotford.

Reuters, 21:57 May 31, 2015

### **Tesoro Says Operations Normal at Its 166,000 b/d Martinez, California Refinery after Flange Leak May 29**

Tesoro Corp said operations at its Golden Eagle refinery in Martinez, California were running normally following a minor flange leak in an unspecified unit. The leak has been isolated and there were no injuries or offsite impact due to the incident, a company spokeswoman said on Friday. The cause of the leak is being investigated, she said.

Reuters, 22:29 May 31, 2015

### **Update: ANR Pipeline Will Lift Force Majeure on Its Michigan Leg South and North Segments June 3**

ANR has been authorized by PHMSA to return its line between the Bridgman and Hamilton compressor stations to full maximum allowable operating pressure (MOAP). As a result of this authorization and effective June 3, ANR will lift the capacity restrictions for the MLN (South End) and the St. John (W-E) - CFTP.

<http://anrebb.transcanada.com/>

### **Enterprise Announces Acquisition of Eagle Ford Midstream Assets**

Enterprise Products Partners L.P. today announced it executed definitive agreements to purchase all of the member interests in EFS Midstream LLC from affiliates of Pioneer Natural Resources Company and Reliance Industries Limited. EFS Midstream provides gas gathering, treating, compression, and condensate processing services in the Eagle Ford Shale. The EFS Midstream system includes approximately 460 miles of natural gas gathering pipelines, 10 central gathering plants, 780 MMcf/d of natural gas treating capacity, and 119,000 b/d of condensate stabilization capacity. Under the terms of the agreements, the Pioneer and Reliance joint development will dedicate its Eagle Ford Shale acreage to Enterprise under a 20-year, fixed-fee gathering agreement that includes a minimum volume requirement for the first seven years. Pioneer and Reliance will also dedicate their Eagle Ford Shale acreage under related 20-year fee-based agreements with Enterprise for natural gas processing, natural gas liquids transportation and fractionation, and for natural gas, processed condensate and crude oil transportation services.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=2055015&highlight>

### **Venture Global Submits Draft Report to FERC for 10 mtpa Calcasieu Pass, Louisiana Project**

Venture Global LNG, Inc. today announced that its subsidiary, Venture Global Calcasieu Pass, LLC, submitted Resource Report 13 to the Federal Energy Regulatory Commission (FERC) for Calcasieu Pass, a natural gas liquefaction and export facility in Cameron Parish, Louisiana. Venture Global Calcasieu Pass remains on track to submit its final FERC application in August 2015.

<http://venturegloballng.com/wp-content/uploads/2015/06/Funding-Announcement-June-1-2015.pdf>

<http://venturegloballng.com/calcasieu-pass/>

## **Other News**

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Nothing to report.

## **International News**

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### **FARC Attack Leaves 400,000 without Power in Colombia May 31**

About 400,000 Energy Enterprise of the Pacific customers in Buenaventura, Colombia lost power Sunday after a key electrical tower was destroyed, an act military officials blamed on FARC rebels. The port of Buenaventura, Colombia's largest, handles most of the nation's foreign trade.

<http://www.news24.com/World/News/Farc-attack-leaves-Colombia-port-city-without-power-20150601>

### **Iraq Exports First Shipment of Heavy Crude Oil, May Oil Exports Rise to 3.1 Million b/d – Shipping Sources, Officials**

Iraq exported its first shipment of heavy crude oil on Monday, officials in the state-run South Oil Company and shipping sources said. Two million barrels of oil were being loaded onto the Olympic Lion in the southern port of Basra. Additionally, oil exports from Iraq rose to a record average of 3.145 million b/d in May from 3.08 million the previous month, the oil ministry said on Monday.

Reuters, 6:40 June 1, 2015

Reuters, 6:15 June 1, 2015

## OPEC Oil Output in May Reaches Highest Since 2012 – Survey

The Organization of the Petroleum Exporting Countries' (OPEC) oil supply in May increased to its highest in more than two years as rising Angolan exports and record or near-record output from Saudi Arabia and Iraq outweighed outages in smaller producers, a Reuters survey showed. The boost from OPEC puts output further above its target of 30 million b/d, underlining the focus of top exporter Saudi Arabia and other key members on market share. OPEC supply rose in May to 31.22 million b/d from a revised 31.16 million b/d in April, according to the survey, based on shipping data and information from sources at oil companies, OPEC and consultants.

Reuters, 2:00 June 1, 2015

## Ship Docks at Libya's Ras Lanuf, Oil Terminal Remains Shut; Hariga Port to Export 1.7 Million Barrels of Crude Oil – Officials

A ship importing cement has docked at Libya's Ras Lanuf port but the oil export terminal will stay shut, a port official said on Sunday. State oil firm NOC declared force majeure for Ras Lanuf and the neighboring Es Sider oil port in December when fighting between forces allied to Libya's two governments erupted in the area. The eastern Libyan port of Hariga will export 1.7 million barrels of crude oil this week, oil officials said. A tanker lifted 700,000 barrels of crude at the Hariga port located in Tobruk, one official said, adding that a second tanker was waiting outside to lift one million barrels of crude. The Zueitina port exported 650,000 barrels of crude coming from tanks, another official said. Fresh crude supplies from connected fields were still blocked due to a protest by locals demanding jobs, he said.

Reuters, 11:58 May 31, 2015

Reuters, 8:50 May 31, 2015

## Egypt's Natural Gas Pipeline Attacked by Militants May 31 – Officials

Security officials in Egypt said suspected Islamic militants blew up a natural gas pipeline outside el-Arish, the provincial capital of North Sinai. The officials say authorities stopped the flow of the gas to extinguish the fire after the blast, Sunday morning.

Reuters, 5:47 May 31, 2015

## Russia's Gazprom Exported 13.5 Billion Cubic Meters of Gas to Europe in May – RIA News Agency

Reuters, 4:31 June 1, 2015

## Kazakhstan to Form Consortium to Develop Caspian Depression

Kazakhstan plans to form a consortium with global energy companies to explore and develop potentially huge hydrocarbon reserves in the Caspian Depression, the energy minister said on Monday. The energy minister said based on studies by international experts, the Caspian Depression is estimated to hold giant hydrocarbon reserves of some 450 billion barrels of oil. Kazakhstan had originally pinned hopes of a sharp rise in its oil output on the Kashagan oilfield in the Caspian Sea but gas leaks detected at Kashagan halted oil production just a few weeks after its launch in September 2013. Output at Kashagan will not restart before the end of 2016.

Reuters, 3:28 June 1, 2015

## Energy Prices

U.S. Oil and Gas Prices			
June 1, 2015			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	59.46	59.23	103.60
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.64	2.93	4.74

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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