



# ENERGY ASSURANCE DAILY

Tuesday Evening, June 02, 2015

## *Electricity*

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### **Transformer Fire Knocks Out Power to 8,500 Dominion Customers in Virginia June 1**

Strong storms and lightning caused a transformer to catch fire near Richmond, Virginia, knocking out power to 8,500 Dominion customers. By 10:30 p.m. EDT Monday, that number was reduced to 1,850 between Richmond, Henrico, and Midlothian. Crews worked through the night to restore the remaining outages and Dominion Virginia Power said it was replacing the transformer by Tuesday morning.

<https://www.dom.com/residential/dominion-virginia-power/outage-center/outages-by-region-and-maps>

<http://www.nbc12.com/story/29212172/lightning-sparks-problems-in-henrico>

### **NPPD's 764 MW Cooper Nuclear Unit in Nebraska Restarts, Ramps Up to 58 Percent by June 2**

The unit shut from full power by May 30.

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

### **Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Shut June 1**

The unit was shut from 92 percent due to low reactor water level.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150602en.html>

### **Calpine's 880 MW Delta Energy Center Gas-fired Unit in California Reduced by June 1**

The unit entered an unplanned curtailment of 120 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201506011515.html>

### **Abengoa's 250 MW Mojave Solar Unit in California Reduced by June 1**

The unit entered an unplanned curtailment of 125 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201506011515.html>

### **FirstEnergy Completes Transmission Projects to Boost Electric Reliability in Northern Ohio**

FirstEnergy Corp. on Monday announced it completed multiple transmission projects that will further enhance electric service for customers throughout northern Ohio. The new facilities are designed to ensure system reliability following the retirement of coal-fired power plants in the region in response to the U.S. EPA Mercury and Air Toxics Standards and other environmental rules. The completed projects include new 138 kV and 345 kV transmission lines, new substations, as well as other equipment that will maintain consistent voltage levels on the grid. PJM Interconnection, the regional grid operator, authorized construction of a series of upgrades in mid-2012 following the announced retirements of FirstEnergy's Eastlake, Lakeshore, and Ashtabula generating plants in Northeast Ohio, as well as certain units of its Bay Shore Plant near Toledo.

[https://www.firstenergycorp.com/newsroom/news\\_releases/firstenergy-completes-transmission-projects-to-boost-electric-re.html](https://www.firstenergycorp.com/newsroom/news_releases/firstenergy-completes-transmission-projects-to-boost-electric-re.html)

## **Appalachian Power Closes Kanawha River, Kammer, Phillip Sporn Coal-fired Plants in West Virginia May 31**

Appalachian Power on Sunday shut three coal-fired power plants in West Virginia in a previously announced move. The 439 MW Kanawha River Power Station at Glasgow, the 713 MW Kammer Power Station near Moundsville, and the 610 MW Phillip Sporn Power Station at New Haven were closed Sunday. Appalachian Power had announced in 2011 that it planned to close the plants, along with three coal-fired plants in Virginia, Ohio, and Indiana. The company had said it would be cost-prohibitive to equip them to comply with new federal emission standards for mercury and other hazardous air pollutants. Another coal-fired plant in Virginia is being converted to natural gas.

<http://www.kansas.com/news/business/article22786365.html#storylink=cpy>

## ***Petroleum***

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### **Update: Cenovus Says Production at Evacuated Oil Sands Site in Alberta ‘Days Away,’ CNRL Says Output Yet to Resume June 2**

The threat of wildfires to oil sands projects in northeastern Alberta eased on Tuesday as Cenovus Energy and Canadian Natural Resources Ltd (CNRL), which were forced to evacuate staff from the region, began checking equipment abandoned for more than a week, though production has not yet resumed. CNRL said on Tuesday its staff was making safety checks at its Primrose and Kirby South oil sands projects in northeastern Alberta after they were evacuated when wildfires drew too close to the facilities. The company said it was preparing to return to normal operations at the site but offered no forecast for when production would resume. Cenovus also returned some workers to its 135,000 b/d Foster Creek oil sands project in order to return electrical power and inspect the facility. Foster Creek is a 50-50 joint venture with ConocoPhillips, with production split evenly between the two companies. A Cenovus spokeswoman said the company was likely still days away from restarting production. More than 233,000 b/d of oil sands crude production has been taken off line after companies with facilities close to uncontrolled wildfires rushed to evacuate staff.

Reuters, 12:04 June 2, 2015

### **Operations Normal at PBF’s 165,000 b/d Paulsboro, New Jersey Refinery after Electrical Snag June 2 – Source**

Operations were normal at PBF Energy’s refinery in Paulsboro, New Jersey, after an electrical problem overnight caused flaring, according to a person familiar with the facility’s operations. Energy industry intelligence service Genscape reported on Tuesday that elevated flaring was observed last night at the refinery.

Reuters, 8:06 June 2, 2015

### **Phillips 66 Reports Emissions at Its 239,400 b/d Westlake, Louisiana Refinery May 31**

Reuters, 14:57 June 1, 2015

### **Motiva Says Operations Normal at Its 600,250 b/d Port Arthur, Texas Refinery after Power Loss June 1**

Reuters, 17:31 June 1, 2015

### **BP Reports Hydrocracker Start-up, Emissions at Its 225,000 b/d Cherry Point, Washington Refinery June 1**

BP PLC reported a release of sulfur dioxide from a flare due to the start up of the hydrocracker unit at its Cherry Point refinery in Blaine, Washington.

Reuters, 14:46 June 1, 2015

### **Update: Drilling Resumes in Denton, Texas after Fracking Ban Fails**

Drilling resumed on Monday at a fracking site in Denton, Texas, a town that had voted to ban the oil and gas extraction process. Voters in Denton approved the ban last November, a move that prompted lawsuits by the industry’s Texas Oil & Gas Association and about a dozen bills in the Texas legislature to give sole regulatory authority for oil and gas to the state. Vantage Energy resumed operations on Monday after a state law signed last month by Governor Greg Abbott prohibited cities from interfering in the nation’s top crude oil- and natural gas-producing state.

Reuters, 18:45 June 1, 2015

## **Chevron Says Production at Its Big Foot Field in Gulf of Mexico Delayed Following Damage to Subsea Installation Tendons**

Chevron Corporation on Monday advised that the Big Foot tension-leg platform (TLP) will be moved to sheltered waters from its location in the deepwater U.S. Gulf of Mexico following damage to subsea installation tendons. The tendons were pre-installed in preparation for connection to the Big Foot TLP. Between Friday, May 29 and Sunday, May 31, several tendons lost buoyancy. The Big Foot TLP was not connected to any subsea wells or tendons at the time of the incident and was not damaged. There are no producing wells at Big Foot at this time. There were no injuries and there has been no release of any fluids to the environment. Damage to the tendons, which are not connected to subsea wells and are used to attach the TLP to the seafloor, was being assessed. First production will not commence in late 2015 as planned.

[http://www.chevron.com/chevron/pressreleases/article/06012015\\_chevrontomovedeepwaterusgulfmexicoplatformtoshelteredwatersfollowingdamagetoinstallationtendons.news](http://www.chevron.com/chevron/pressreleases/article/06012015_chevrontomovedeepwaterusgulfmexicoplatformtoshelteredwatersfollowingdamagetoinstallationtendons.news)

## **Pioneer Natural Resources to Add New Rigs Starting in July**

Pioneer Natural Resources said that starting in July it will add an average of two horizontal rigs per month through 2015 in the northern Spraberry/Wolfcamp assets in the Permian Basin of West Texas. The company said the addition of wells through 2015 remains contingent on the oil price outlook remaining positive. During the first quarter of 2016, Pioneer plans to add another eight horizontal rigs, of which six will be in the Spraberry/Wolfcamp and two rigs will be in the Eagle Ford Shale. New rigs will bring the total horizontal rig count to 36 (28 rigs in the Spraberry/Wolfcamp and eight in the Eagle Ford), which is same as the horizontal rig count prior to the oil price decrease from 2014.

<http://investors.pxd.com/phoenix.zhtml?c=90959&p=irol-newsArticle&ID=2055051>

Reuters, 16:02 June 1, 2015

## **Repsol Completes Testing at Two Oil Wells in Alaska**

Repsol has completed testing in two wells during its winter exploration campaign in Alaska with better-than-expected yields of good quality crude which, added to the positive results from previous campaigns, confirm the significant development potential of the area. This campaign brings to 16 the number of positive wells drilled, including sidetracks, in Repsol's acreage of the resource-rich North Slope region during the four winter exploratory campaigns that the company has completed since it acquired the assets in 2011. Exploration can only be carried out during four months of the year, when the terrain is frozen. Repsol operates the discovering consortium with a 70 percent stake, together with 70 & 48 LLC (22.5 percent), a subsidiary of Armstrong Oil and Gas, and GMT Exploration Company (7.5 percent). The consortium will continue with an additional drilling program during the next winter and has already begun the process to obtain permits for a development phase in the Nanushuk and Alpine areas.

[http://www.repsol.com/es\\_en/corporacion/prensa/notas-de-prensa/ultimas-notas/02062015-repsol-completa-exito-campana-invernal-exploracion-alaska.aspx](http://www.repsol.com/es_en/corporacion/prensa/notas-de-prensa/ultimas-notas/02062015-repsol-completa-exito-campana-invernal-exploracion-alaska.aspx)

## ***Natural Gas***

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Nothing to report.

## ***Other News***

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Nothing to report.

## ***International News***

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### **Oil Flows Resume Via Iraq-Turkey Kirkuk-Ceyhan Pipeline June 2 – Shipping Source**

Oil flows resumed via Iraq's pipeline carrying Kirkuk and Kurdish oil to Turkey's Mediterranean port of Ceyhan, a Turkish official and a shipping source said on Tuesday. The flow had been suspended due to a power failure.

Reuters, 9:01 June 2, 2015

## Iraq Begins Heavy Oil Exports after Complaints about Quality

Iraq was set to increase exports after starting a new grade of crude oil to stop customer complaints about the quality of its oil. The Basrah heavy crude was to be exported for the first time starting Monday, shipped from the south on the Persian Gulf, with orders for this month totaling 850,000 b/d, according to the oil minister. Iraq previously sold only Basrah Light grade, and had to give discounts of as much as \$3 a barrel because it wasn't clear how much of the oil was heavy or light.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=47916](http://www.downstreamtoday.com/news/article.aspx?a_id=47916)

## Energy Prices

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U.S. Oil and Gas Prices			
June 2, 2015			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	60.97	57.98	103.08
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.60	2.88	4.49

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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