



ENERGY ASSURANCE DAILY

Monday Evening, July 06, 2015

Electricity

Transmission Line Problem Knocks Out Power to 15,000 AEP Customers in Texas July 3

Approximately 15,000 AEP Texas customers throughout the lower Rio Grande Valley area had power knocked out around 5:40 p.m. CDT Friday, July 3, due to a transmission equipment failure resulting in a disruption of service at three AEP Texas substations. As of 7:30 p.m. CDT on Friday evening, AEP Texas crews had restored electric service to approximately 6,000 customers in San Benito and surrounding areas. Restoration of service to the remaining customers was completed later Friday night.

<https://www.aeptexas.com/info/news/viewRelease.aspx?releaseID=1804>

Update: Entergy Reports Insulation Failure Caused May 9 Transformer Fire at Its 2,069 MW Indian Point Nuclear Plant in New York

A failure of insulation caused a main transformer at the Indian Point nuclear power plant's Unit 3 to short circuit and catch fire May 9, Entergy announced June 30. Entergy's engineers and an independent engineering firm traced the transformer problem to the failure of internal insulation that caused a short circuit in a high-voltage winding coil.

The company also said its internal investigation confirmed that water and foam used to extinguish the fire, together with fluid from the transformer on the plant's non-nuclear side, exceeded a containment system's capacity, leading to a release of transformer fluid into a canal and ultimately into the Hudson River. Since the fire and the plant's safe shutdown, the transformer has been replaced, Unit 3 has returned to service, and no remediation was warranted at most locations of reported sheens from fluids that reached the Hudson River. The U.S. Coast Guard, using data from the National Oceanographic and Atmospheric Administration, estimated about 3,000 gallons of dielectric fluid reached the river. During operation, this transformer contained 24,300 gallons of dielectric fluid. About 8,300 gallons of fluid have been recovered from the moat beneath the transformer, inside the transformer, drains and areas around the transformer yard, or were combusted.

<http://www.entergynewsroom.com/latest-news/entergy-probe-insulation-failure-caused-mayindian-point-transformer-fire-fluid-release-into-hudson-river-due-firefighting-water-foam-exceeding-moat-capacity/>

SCE's 820 MW Big Creek Hydro Unit in California Reduced by July 3

The unit entered a planned and unplanned curtailment of 163 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201507031515.html>

Solar Partners II's 123 MW Ivanpah Solar Unit 1 in California Shut by July 5

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201507051515.html>

Petroleum

Update: Phillips 66 Resumes Full Operations at Its 336,000 b/d Wood River, Illinois Refinery July 6 after Power Loss July 1 – Source

Phillips 66's Wood River, Illinois refinery resumed full operations Monday following a brief outage caused by a loss of power, according to a source familiar with the plant's operations. The plant lost power in at least one unit Wednesday, the company said last week, resulting in reduced capacity of about 60,000 b/d. Energy industry intelligence service Genscape reported Sunday that the 64,000 b/d crude unit and a 30,000 b/d vacuum distillation unit were restarted. On Monday morning, Genscape reported that a 16,000 b/d coker had also restarted.

Reuters, 10:50 July 6, 2015

CVR Reports Emissions at Its 70,000 b/d Wynnewood, Oklahoma Refinery Due to Unit Power Failure July 3

Reuters, 9:20 July 6, 2015

Citgo Reports Emissions Due to Fire at Its 427,800 b/d Lake Charles, Louisiana Refinery July 4

Citgo reported a release due to a small fire at its Lake Charles, Louisiana, refinery on Saturday. The fire occurred during a unit shutdown for routine maintenance. The company said planned operations were not affected.

Reuters, 12:02 July 6, 2015

Reuters, 9:29 July 6, 2015

Update: ExxonMobil Reports Flexicoker Start-Up at Its 560,500 b/d Baytown, Texas Refinery July 6

ExxonMobil Corp reported planned start-up activities resulting in emissions from a flexicoker at its Baytown, Texas facility, according to a filing with the Texas Commission on Environmental Quality on July 4. The event began on July 2 and ended on Saturday, the filing said. The company planned to resume the restart of the 42,000 b/d flexicoker at its Baytown refinery, after the process was stopped due to a fire, sources familiar with plant operations said on June 30. The flexicoker was shut due to problems discovered in the unit after the start of a planned overhaul. A 51,500 b/d delayed coking unit was operational at the refinery while the flexicoker remained shut.

Reuters, 11:01 July 6, 2015

Reuters, 22:52 June 30, 2015

Valero Reports SRU Upset Led to Emissions at Its 330,000 b/d Port Arthur, Texas Refinery July 3; Genscape Reports FCCU Shutdown July 3

Valero Energy Corp reported excess emissions from an upset at a sulfur recovery unit (SRU) July 3 at its Port Arthur, Texas refinery. Energy intelligence firm Genscape earlier reported Sunday, the shutdown of a fluid catalytic cracking unit at the refinery on July 3. Reuters, 10:23 July 6, 2015

Husky Energy Says Unplanned Coke Drum Maintenance to Suspend Operations for 6-8 Weeks at Its Lloydminster Upgrader in Saskatchewan July 3

Husky Energy Inc said operations will be suspended for about six to eight weeks due to unplanned maintenance work at its Lloydminster Upgrader in Saskatchewan. The maintenance activity is underway and will repair the facility's coke drums, the company said on Friday, adding that upstream heavy oil production was not expected to be impacted.

Reuters, 18:23 July 3, 2015

Explosion, Fire at Sapp Bros. Petroleum Product Distribution Depot in Nebraska Injures Workers, Cause under Investigation June 2

Officials reported that a July 2 explosion and fire at Sapp Bros. Petroleum in West Point, Nebraska critically injured two workers and hospitalized five others. The cause of the explosion was under investigation.

http://journalstar.com/news/local/911/seven-hurt-in-explosion-at-west-pointsapp-bros/article_867a9815-be18-543f-9c3c-0a1c2982c6bc.html

Natural Gas

Enterprise Signs Additional Commitment for Its 300,000 b/d Aegis Ethane Pipeline from Texas to Louisiana June 1

Enterprise Products Partners L.P. on June 1 announced it executed a long-term agreement for incremental ethane transportation capacity on the partnership's Aegis pipeline. With this agreement, total capacity commitments for the Aegis pipeline will ramp up over the next four years to more than 300,000 b/d. The Aegis pipeline, which originates at Enterprise's natural gas liquids fractionation and storage complex in Mont Belvieu, Texas, extends 270 miles to Napoleonville, Louisiana. The initial 60-mile segment between Mont Belvieu and Beaumont, Texas began service in September of 2014. The remaining portion is scheduled for completion by the end of 2015. Capacity on the pipeline can be expanded to approximately 400,000 b/d. When completed, Aegis will be part of a 500-mile ethane header system stretching from Corpus Christi, Texas to the Mississippi River.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=2064267&highlight>

ExxonMobil Reports All Gas Wells Shut-in due to Unit Shutdown at Its 65 MMcf/d Dollarhide Gas Plant in Texas July 5

ExxonMobil reported the wauk 3 unit shut due to over speed. All available flowing wells were shut in to reduce and mitigate emissions.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=216785>

Other News

Nothing to report.

International News

Tanker Cancellations Increase at Turkey's Ceyhan Port as Kurdish Oil Sales Grow

BP and Eni have cancelled more tanker loadings from the Turkish port of Ceyhan due to a lack of oil in tanks owned by Iraqi state oil firm Somo after Iraq's semi-autonomous region of Kurdistan ramped up independent oil sales. Shipping data showed the latest tanker cancellations included 6 tankers that together were due to lift more than 4 million barrels of Iraqi Kirkuk crude at the end of June. The latest cancellations bring the number of cargoes that failed to load Kirkuk crude in June to 12. Kurdistan has ramped up independent oil sales since mid-June while cutting allocations to Somo in an escalating dispute over export rights and budget payments. Kurdistan has sold at least 12 million barrels of oil from Ceyhan since mid-June, according to shipping data and traders, compared to 5 million barrels it allocated to Somo in early June after which transfers largely stopped.

http://www.tradearabia.com/news/OGN_285734.html

Energy Prices

U.S. Oil and Gas Prices			
July 6, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	54.08	58.41	104.47
\$/Barrel			
NATURAL GAS			
Henry Hub	2.79	2.77	4.39
\$/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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