



ENERGY ASSURANCE DAILY

Thursday Evening, July 30, 2015

Electricity

Power Restored to 12,000 WRECC Customers in Kentucky after Substation Failure Due to Snake Interference July 30

Warren Rural Electric Cooperative Corp. (WRECC) said Thursday morning's widespread outage that affected almost 12,000 customers was caused by a snake interfering with electrical equipment within a substation. This is the second snake-related outage incident at the same substation. As of 8:30 a.m. EDT power was nearly restored to all affected customers.

<https://twitter.com/WarrenRECC>

<http://www.wrecc.com/wp-content/uploads/2014/02/News-Release-Cause-of-Outage-for-July-30-2015.pdf>

http://www.bgdailynews.com/news/power-outage-to-nearly-k-wrecc-customers/article_56dd5d88-36b4-11e5-8ce4-d75219d930bc.html

Duke Energy's 1,100 MW McGuire Nuclear Unit 2 in North Carolina Reduced to 47 Percent by July 30

On the morning of July 29 the unit was operating at 65 percent.

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

Update: TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee Restarts, Ramps Up to 13 Percent by July 30

The unit shut from 35 percent power due to a turbine trip on July 27.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150728en.html>

Update: Indiana-Michigan Power's 1,000 MW D.C. Cook Nuclear Unit 1 in Michigan Restarts, Ramps Up to 48 Percent by July 30

The unit shut from full power May 31 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>

Update: OPPD's 478 MW Fort Calhoun Nuclear Unit in Nebraska Restarts, Ramps Up to 48 Percent by July 30

The unit was manually taken offline July 20 to repair a water leak on one of the plant's four reactor coolant pumps.

<http://www.oppd.com/news-resources/news-releases/2015/july/fort-calhoun-station-comes-offline-for-maintenance-work/>

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

Calpine's 525 MW Sutter Gas-fired Unit in California Shut by July 29

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201507291515.html>

Update: AES's 498 MW Alamitos Gas-fired Unit 5 in California Returns to Service by July 29

The unit returned from an unplanned outage that began on July 28.

<http://content.aiso.com/unitstatus/data/unitstatus201507291515.html>

Inland Empire Energy Center's 366 MW Gas-fired Unit 2 in California Shut by July 29

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201507291515.html>

Solar Partners' 123 MW Ivanpah Solar Unit 1 in California Shut by July 29

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201507291515.html>

Solar Partners' 133 MW Ivanpah Solar Unit 2 in California Shut by July 29

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201507291515.html>

Coal Overtakes Natural Gas to Reclaim Spot as Top U.S. Power Source in May

Coal reclaimed the lead as the top U.S. power source in May after plants burning natural gas produced more electricity than coal-fired generators for the first time in April, according to Energy Information Administration (EIA) data. Gas overtook coal during the low demand month of April because gas prices were relatively low compared with coal as energy companies produce near record amounts of gas from shale formations and with the recent retirement of coal-fired plants for economic and environmental reasons. The EIA said coal-fired generators produced 104,857 thousand megawatt hours in May versus 101,148 thousand megawatt hours for gas. In April, EIA said coal produced 88,835 thousand megawatt hours versus 92,516 thousand megawatt hours for gas. So far this year, coal has produced about 34 percent of the nation's power versus about 30 percent for gas. The next biggest sources of power production were nuclear at 20 percent and non-hydro renewables such as wind and solar at almost 8 percent, the EIA said.

Reuter, 11:22 July 30, 2015

Petroleum

U.S. Senate Energy Committee Votes to Lift Oil Export Ban July 30

The U.S. Senate Committee on Energy and Natural Resources on Thursday passed a bill that would lift a decades-old ban on the export of crude oil. The 22-member panel passed the bill to allow the U.S. to export oil and boost state revenue-sharing for offshore oil and gas drilling by a vote of 12-10. In addition to unlocking crude oil exports, the bill would also speed up exports of liquefied natural gas and ensure that states that have offshore oil and gas development get their share of federal revenues. The bill will move to the Senate floor for wider debate later this summer.

Reuters, 13:40 July 30, 2015

Citgo Reports Flaring Due to Unit Start-up at Its 167,000 b/d Lemont, Illinois Refinery July 30

Reuters, 13:52 July 30, 2015

Marathon Reports Material Spill at Its 80,000 b/d Canton, Ohio Refinery July 30

Marathon reported after a hard rain there was a pump pit that overflowed resulting in a spill of materials.

Reuters, 13:53 July 30, 2015

Valero Reports Excess Emissions at Its 86,000 b/d Ardmore, Oklahoma Refinery July 22

Reuters, 17:45 July 29, 2015

29-Jul-2015 17:45

Reformer Fire, Equipment Failure Reported at Motiva's 600,250 b/d Port Arthur, Texas Refinery July 29

Motiva Enterprises' Port Arthur, Texas refinery was hit by a small fire on Wednesday in a catalytic reformer, sources said. There were no injuries and production was not affected, according to the sources. Also on Wednesday, Motiva reported a process incident that resulted in flaring due to an equipment failure. The company listed a delayed coking unit as one of the sources of emissions and said operations took immediate actions to stabilize the unit.

Reuters, 10:51 July 30, 2015

Reuters, 19:28, July 29, 2015

Valero Reports Emissions at Its 168,000 b/d McKee, Texas Refinery July 28

Reuters, 14:43 July 29, 2015

Valero Reports No Offsite Impact from Power Outage at Its 89,000 b/d Three Rivers, Texas Refinery July 30

Valero Energy reported an unexpected power outage disrupted Complex 1 operations which resulted in flaring at its Three Rivers, Texas refinery. Operations worked to regain stability and regain power in Complex 1 and reported no offsite impact.

Reuters, 10:45 July 30, 2015

Delek Reports Amine Treating Unit Upset at Its 60,000 b/d Tyler, Texas Refinery July 29

Delek U.S. Holdings reported excess emissions occurred at two refinery heaters due to an upset at the amine treating unit.

Reuters, 18:54 July 29, 2015

North Dakota Industrial Commission Fines Alturas Energy for Violating Oil Field Regulations

The North Dakota Industrial Commission fined Idaho-based Alturas Energy LLC \$900,000 July 28 in response to 12 alleged oil regulation violations, including two unresolved saltwater spills.

<http://www.jamestownsun.com/news/state/3806757-900000-fine-violating-oilfield-regulations>

Florida Fuel Connection Announces Investment to Build 240,000 b/d Louisiana Rail Terminal Project

Louisiana Governor Bobby Jindal and CEO John H. Armbrust of Florida Fuel Connection LLC (FFC) on Wednesday announced the company will make a \$75 million capital investment in Louisiana to build a petroleum terminal and rail transportation facility in East Feliciana Parish, near the Mississippi River. The complex will provide a starting point for the shipment of gasoline and other fuels via rail to southeast Georgia and Florida, which lacks pipeline connections to regional oil refineries and primarily imports its fuel stocks by marine vessels. The company plans to transport gasoline, jet fuel and diesel from Colonial Pipeline's system near Baton Rouge, and its new transportation facility will link the Colonial pipeline to existing rail lines to facilitate fuel delivery across the Gulf Coast to distribution points in Florida and Georgia. The company will engage rail transport services that will constitute a "land bridge" augmenting the current marine delivery system for a portion of the estimated 10 billion gallons of petroleum products consumed annually in Florida. FFC anticipates being fully operational by the first quarter of 2017 and at its peak will transport 240,000 b/d of petroleum product into Florida and southeast Georgia, including gasoline, diesel, and aviation fuel.

http://www.floridafuelconnection.com/Portals/0/Louisiana_PressRelease_7-29.pdf

Enterprise 'Close' to Completing Its 480,000 b/d Rancho II pipeline in Texas

Enterprise Product Partners said the company was close to completing its 480,000 b/d Rancho II pipeline, which was originally scheduled to start in July. The Rancho II pipeline is an 88-mile, 36-inch diameter crude oil pipeline from Sealy, Texas to the ECHO terminal.

Reuters, 12:51 July 30, 2015

Howard Energy to Expand GT Omniport Terminal near Port Arthur, Texas

Howard Midstream Energy Partners on Wednesday announced its subsidiary, Maverick Terminals acquired a majority interest in the GT Omniport Terminal, near Port Arthur, Texas, from GT Logistics. The terminal is located near numerous refineries, chemical plants, and pipelines in the area. It features 450 acres of land, more than eight miles of rail including a unit-train loop track and railcar unloading facilities, four storage tanks with a total of 230,000 barrels of capacity, a barge dock, and more than 3,000 feet of deep-water frontage, which can be used to build multiple docks for ocean-going vessels. The GT Omniport Terminal, which currently handles crude oil, will be expanded to receive, blend, store, and re-deliver refined products and natural gas liquids. Additional storage capacity, interconnectivity to local refined products and crude oil pipelines, and up to four deep water docks are in the engineering and planning phases.

<http://www.howardenergypartners.com/news/howard-energy-partners-acquires-majority-interest-in-gt-omniport-terminal-near-port-arthur>

ExxonMobil Plans Additional Studies, Moves toward Expansion at Its 334,600 b/d Beaumont, Texas Refinery – Sources

ExxonMobil Corp pulled together a group of experts at its Beaumont, Texas refinery to conduct detailed studies to add a third crude distillation unit which would make the refinery the top fuel-making plant in the U.S., sources familiar with the matter said on Thursday. Reuters previously reported the company was eyeing a plan to lift capacity at Beaumont to as much as 850,000 b/d.

Reuters, 13:27 July 30, 2015

Natural Gas

UIL to Purchase Stake in Northeast Expansion Natural Gas Pipeline

UIL Holdings Corporation will acquire a piece of a natural gas transmission pipeline developed to alleviate shortfalls in New England gas supplies. The company is planning to buy 2.5 percent interest, or about \$80 million, in Northeast Expansion LLC. The project will bolster about 188 miles of new transmission pipeline from New York State, via Massachusetts and New Hampshire. The new pipeline would start commercial operation in 2018.

Reuters, 19:27 July 29, 2015

Other News

Nothing to report.

International News

Update: Iraq Resumes Oil Pumping along Kirkuk-Ceyhan Pipeline to Turkey – Shipping Agent

Oil pumping on Iraq's Kirkuk-Ceyhan pipeline carrying crude oil to Turkey's Mediterranean port of Ceyhan resumed, a shipping agent said on Thursday, following an attack by saboteurs. Pumping resumed late afternoon on Wednesday using a bypass line, the shipping agent said, following the sabotage attack.

Reuters, 5:50 July 30, 2015

Update: Nigeria's Port Harcourt Refinery Restarts, Refined Products Pipeline Repaired

Nigeria's Port Harcourt refinery started ramping up production following maintenance, state oil company Nigerian National Petroleum Corp (NNPC) said on Wednesday. NNPC also said it had repaired a key products pipeline carrying gasoline to Lagos. It was forced to shut down the trunkline after an explosion last week near the town of Arepo in southwestern Ogun state.

http://www.downstreamtoday.com/news/article.aspx?a_id=48608

Energy Prices

U.S. Oil and Gas Prices			
July 30, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	48.48	48.08	104.79
\$/Barrel			
NATURAL GAS			
Henry Hub	2.90	2.89	3.75
\$/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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