



ENERGY ASSURANCE DAILY

Monday Evening, August 18, 2014

Electricity

Storms Knock Out Power to Nearly 17,000 Oncor Customers in Texas August 16

Storms brought down power poles, lines, and transformers on Saturday afternoon, knocking out power to 16,942 Oncor customers in Dallas. Dallas Fire-Rescue said it was investigating what brought the poles down, but suspected it was strong winds. As of 3:30 p.m. EDT today, 819 Oncor customers remained without power.

<http://www.nbcdfw.com/news/local/North-Texas-Storms-Cause-Problems-and-Power-Outages-271556591.html>
<http://stormcenter.oncor.com/default.html>

California PUC Approves Penalty against SCE for Safety Violations After 2011 Windstorm Outages

The California Public Utilities Commission (PUC) agreed August 14 to penalize Southern California Edison (SCE) \$24.5 million for safety violations in a 2011 windstorm that knocked out power to 440,000 customers and caused a power line failure that electrocuted three individuals. The utility agreed to the penalty in March after an investigation determined it gave inaccurate information on power restoration and safety standards.

<http://www.foxbusiness.com/markets/2014/08/14/california-regulators-approve-245m-penalty-against-edison-for-2011-outages/>

Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Reduced to 23 Percent by August 17

On the morning of August 16 the unit was operating at full power.

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

Entergy's 813 MW FitzPatrick Nuclear Unit in New York Reduced to 50 Percent by August 18

On the morning of August 17 the unit was operating at 85 percent.

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

Update: Entergy's 979 MW Indian Point Nuclear Unit 3 in New York Restarts by August 16, Ramps Up to Full Power by August 17

By the morning of August 16 the unit had restarted and was operating at 30 percent. The unit was shut August 13 due to temperature related equipment failure.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20140814en.html>
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

Energy Northwest's 1,107 MW Columbia Generating Station Nuclear Unit in Washington Reduced to 45 Percent by August 18

On the morning of August 17 the unit was operating at 65 percent, down from full power on August 16.

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

PG&E's 1150 MW Diablo Canyon Unit 2 Nuclear Unit in California Shut by August 15

The unit was shut due to multiple inoperable emergency diesel generators.

<http://content.caiso.com/unitstatus/data/unitstatus201408151515.html>
<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20140818en.html>

Dynegy, LLC's 335 MW El Segundo Gas-fired Unit 4 in California Shut by August 15

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201408151515.html>

Petroleum

Update: Delek Reports Its 60,000 b/d Tyler, Texas Refinery Back in Full Operation August 15 After FCCU Shutdown

Delek U.S. Holdings' Tyler, Texas, refinery came back to full operation on Friday following a flaring event that involved a temporary shutdown of a fluid catalytic cracking unit (FCCU) a day before, television station KLTV reported on its website. The refinery had reported excess emissions from a catalytic cracking unit on Thursday due to a power interruption temporarily affecting process operations, according to a filing with state pollution regulators. Reuters, 16:31 August 15, 2014

Alon Reports Operations Normal After Flaring at Its 67,000 b/d Big Spring, Texas Refinery

Alon reported the crude flare exceeded the reportable quantity for sulfur dioxide because a wrong pressure relief valve (PRV) was installed on the vent gas receiver during a 2014 turnaround, according to a filing with the Texas Commission on Environmental Quality. Alon reported the PRV was corrected and the refinery returned to normal operations.

Reuters, 17:26 August 15, 2014

Shell Reports Process Upset after Unplanned Work at Its 156,400 b/d Martinez, California Refinery August 12

Royal Dutch Shell Plc reported a process startup after unplanned work on August 12, according to a filing with Contra Costa Health Services.

Reuters, 14:12 August 15, 2014

Shell's Oil-by-Rail Plan to Its 145,000 b/d Anacortes, Washington Refinery Gets Streamlined Permitting

Royal Dutch Shell Plc's proposal to move by rail up to 60,000 b/d of North American crude to its Anacortes, Washington refinery will not have to undergo a lengthy environmental review, local planners said this week. The plan still awaits multiple permit approvals before construction can start, but the Skagit County Planning and Development Services division's decision that a full-fledged environmental review is not required eliminates what could have been a lengthy delay of up to a year. Shell's project could now start up by early 2015.

http://www.downstreamtoday.com/news/article.aspx?a_id=44173

Dakota Plains to Link Hiland Pipeline to Its Pioneer Rail Terminal in North Dakota

Dakota Plains Holdings Inc said it would link its Pioneer Rail Terminal in North Dakota to Hiland Partners LP's pipeline carrying crude out of the Bakken shale formation. The connection to the Pioneer Terminal is expected to have an initial capacity of more than 15,000 b/d and can be expanded to about 60,000 b/d, the companies said. The link is expected to be commissioned by October 31.

http://files.shareholder.com/downloads/AMDA-2SK2PP/3406329772x0x777194/649ff112-fc61-49cd-bde3-ae29b9f37d60/DAKP_News_2014_8_18_General_Releases.pdf

Reuters, 10:58 August 18, 2014

Enbridge Expects 9 Percent Cut to Its Mainline Capacity Due to Maintenance Over Next Three Months

Enbridge Inc. said it expects maintenance work over the next three months to cut throughput on the western leg of its crude export network by up to 9 percent, a company document seen by Reuters on Friday showed. Pipeline space lost to maintenance by November will total nearly 190,000 b/d of the 2.4 million b/d of operating capacity on the Canadian portion or western leg of the Mainline system, which carries the bulk of Canada's crude exports to the United States. Traders in Calgary keep a close eye on Enbridge pipelines as outages can leave crude bottlenecked in Alberta and Canadian grades trading at steep discounts to U.S. crude. Enbridge is undertaking a multi-billion dollar Mainline expansion to meet booming oil sands production.

http://www.downstreamtoday.com/news/article.aspx?a_id=44172

Update: DOE Finalized Overhaul of Natural Gas Export Reviews

The U.S. Department of Energy (DOE) finalized a plan to revamp its process for approving liquefied natural gas (LNG) exports, and as originally proposed the changes eliminate conditional approvals for LNG projects. Beginning Thursday, the department will only issue final rulings on whether exports are in the public interest after the Federal Energy Regulatory Commission, or another authorized agency, has completed an environmental review of the project. The new policy will not affect companies that have already received conditional approvals.
Reuters, 17:09 August 14, 2014

EnLink Midstream Announces New 50,000 b/d Condensate Pipeline in Ohio River Valley

The EnLink Midstream companies, EnLink Midstream Partners, LP (the Partnership) and EnLink Midstream, LLC, today announced plans to construct a new 45-mile, 8-inch condensate pipeline and six natural gas compression and condensate stabilization facilities that will service major producer customers in the Utica Shale. The new stabilized condensate pipeline will connect to the Partnership's existing 200-mile pipeline in eastern Ohio and West Virginia, providing producer customers in the region access to market outlets through the Partnership's Bells Run barge facility and Black Run rail terminal. The pipeline, which is expected to be complete in the second half of 2015, will have an initial capacity of approximately 50,000 b/d and is expandable based on customer interest. The Partnership expects to hold an open season for the pipeline in the fall of 2014. The Partnership will also build and operate six natural gas compression and condensate stabilization facilities in Noble, Belmont, and Guernsey counties. Upon completion, the facilities will have a combined capacity of approximately 560 MMcf/d of natural gas compression and approximately 41,500 b/d of condensate stabilization. The Partnership expects the first two compression and condensate stabilization facilities to be operational in the second half of 2014 and the remaining four facilities to be operational by the end of 2015. The Partnership will also increase condensate storage capacity and handling capabilities at its Bells Run barge terminal on the Ohio River. The Partnership will add approximately 120,000 barrels of above ground storage, bringing its total storage capacity at the barge facility to over 360,000 barrels.
<http://enlk.enlink.com/investor/investor-news/investor-news-details/2014/EnLink-Midstream-Announces-New-45-Mile-Condensate-Pipeline-in-Ohio-River-Valley-Adds-Compression-and-Stabilization-Facilities/default.aspx>

Tennessee Gas Pipeline Seeks FERC's Approval for Its 72.1 MMcf/d Connecticut Expansion Project in Northeast

Tennessee Gas Pipeline Co. LLC (TGP) was seeking approval from the Federal Energy Regulatory Commission (FERC) to build its Connecticut Expansion Project, which aims to provide more natural gas in the Northeast by upgrading its current delivery system in Connecticut, Massachusetts, and New York. The project requires the company to build two sections of 36-inch diameter looping pipeline totaling 1.35 miles in Albany County, New York, and 3.81 miles in Berkshire and Hampden counties, Massachusetts, and one section of 24-inch diameter looping pipeline totaling 8.1 miles in Massachusetts and Hartford County, Connecticut. Minor changes would also be made to TGP's current Agawam Compressor Station in Massachusetts. According to the application filed with FERC, the project would offer an additional 72.1 MMcf/d of incremental firm transportation capacity to TGP's 200 Line and 300 Line pipeline systems.
Reuters 20:21 August 16, 2014

Other News

Poet DSM's 25 Million Gallon per Year Liberty Ethanol Plant in Iowa Will Begin Operations in September

Poet DSM announced that its Project Liberty plant in Emmetsburg, Iowa, will hold its grand opening on September 3. The plant uses corn cobs and other cornfield leftovers to make ethanol. The plant will produce up to 25 million gallons annually.
<http://www.ktiv.com/story/26298101/2014/08/16/northwest-iowa-plant-begins-a-new-era-for-ethanol>
<http://poetdsm.com/pr/poet-dsm-to-hold-project-liberty-grand-opening>

International News

Iraqi Kurdistan Oil Exports Continue – Turkish Energy Minister

Turkey's Energy Minister said on Monday 6.5 million barrels of Iraqi Kurdish crude oil had been shipped to world markets via Turkey's Ceyhan port since exports began and that a seventh tanker was being loaded at the terminal. He further said crude flow on the Kirkuk-Ceyhan pipeline had been halted as of Monday due to maintenance work. Flows through the 120,000 b/d pipeline began at the end of 2013 but the first cargo was not loaded until May. Reuters, 4:34 August 18, 2014

Libya's Oil Output Hits 535,000 b/d Due to El Sharara, El Feel Oil Fields – NOC

Libya's oil production rose to 535,000 b/d due to a higher output at the southwestern El Sharara, El Feel fields, a spokesman for National Oil Corp (NOC) said on Sunday. NOC had put output at 400,000 b/d on Thursday. NOC spokesman Mohamed El Harari also said the eastern Es Sider port was ready to receive a first tanker in the next few days after having been closed for a year by protests. Reuters, 13:34 August 17, 2014

Energy Prices

U.S. Oil and Gas Prices			
August 18, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	96.08	98.34	107.79
NATURAL GAS Henry Hub \$/Million Btu	3.77	3.91	3.37

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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