



ENERGY ASSURANCE DAILY

Tuesday Evening, August 18, 2015

Major Development

OE/ISER Situation Report: Super Typhoon Soudelor

http://www.oe.netl.doe.gov/named_event.aspx?ID=76

Electricity

Update: TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee at Full Power by August 18

On the morning of August 17 the unit was operating at 80 percent after restarting and ramping up to 2 percent on August 15. The unit shut from full power by August 9

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

Petroleum

Update: Valero's Hydroplex Operating after Fix at Its 180,000 b/d Memphis, Tennessee Refinery August 17 – Sources

The hydroplex unit at Valero Energy Corp's Memphis, Tennessee refinery was operating on Monday after restarting on Saturday night, sources said. The 40,000 b/d unit was knocked out of production on August 2 by the breakdown of a compressor, which caused a cutback in refinery production.

Reuters, 16:04 August 17, 2015

Shell Restarts Unit at Its Scotford, Alberta Facility August 17

Royal Dutch Shell Plc restarted a unit at its Scotford, Alberta facility on Monday, according to a community information phone line. The Scotford facility houses a 100,000 b/d refinery and a 255,000 b/d oil sands upgrader.

Reuters, 12:34 August 17, 2015

Valero Reports Electrostatic Precipitator Shut Due to Lack of Air Condition Cooling at Its 168,000 b/d McKee, Texas Refinery August 17

Reuters, 11:50 August 18, 2015

Phillips 66 Reports Relief Valve Leak at Its 146,000 b/d Borger, Texas Refinery August 17

Reuters, 14:00 August 17, 2015

BSEE Approves Updated Permit for Shell's Exploration Activities in Arctic Waters under Rigorous Safety Requirements August 17

The Bureau of Safety and Environmental Enforcement (BSEE) on Monday announced that Shell received a modification approval on one of its permits to conduct exploratory drilling activities into potential oil-bearing zones in the Arctic waters offshore of Alaska. Shell submitted the modification request on August 6 to modify a drilling permit, which previously restricted Shell from drilling into oil-bearing zones since a capping stack was not on hand and deployable within 24 hours, as required by BSEE. The capping stack, staged on the vessel M/V Fennica, is now in the region and capable of being deployed within 24 hours.

<http://www.bsee.gov/BSEE-Newsroom/BSEE-News-Briefs/2015/BSEE-Approves-Updated-Permit-for-Exploration-Activities-in-Arctic-Waters-Under-Rigorous-Safety-Requirements/>

Northwest Performs Stress Relief Work on Pipeline in Washington August 18

Northwest will be performing stress relief work beginning on Tuesday in the Columbia River Gorge near Skamania, Washington. The company said it will be reducing the line pressure while relieving the stress, but believes it will be able to mitigate any customer impacts by working with its interconnecting partners and utilizing its storage flexibility.

http://www.northwest.williams.com/NWP_Portal/northwest_notice_detail.action?format=¬ice_num=27206

Atlas Pipeline Reports Engines Shut at Its 195 MMcf/d Midkiff Gas Plant in Texas August 17

Atlas reported engine B16 shut due to a failing compressor cylinder and a bad fuel solenoid. Engine B30 was also down due to a bad fuel regulator. Repairs were underway on both engines.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=218931>

National Energy Board Issues Import, Export Licenses to Pieridae Energy in Nova Scotia August 13

Pieridae Energy on Monday announced that it had been issued long-term licenses by the National Energy Board (NEB) of Canada to import natural gas from the U.S. and to export liquefied natural gas (LNG) from Canada. The natural gas imported from the USA and natural gas supplied from Canadian sources will be processed at the proposed Goldboro LNG facility to be located in Goldboro, Nova Scotia and exported from Canada as LNG for delivery to Europe and other countries. The term of the export license is for 20 years starting from the date of first export with a maximum annual export capacity of 16.675 billion cubic meters. The import license is also for a 20 year term starting from the date of first import and has a maximum annual import volume of 11.845 billion cubic meters.

<http://pieridaeenergy.com/national-energy-board-issues-import-and-export-licences-to-pieridae-energy-canada-ltd/>

Trilogy Energy Announces Impact of Recent Suspension of Alliance and TransCanada Pipeline Systems

Trilogy Energy Corp. today announced that the recent suspension of the mainline pipeline system operated by Alliance Pipeline resulted in a deferral of approximately 40 MMcf/d of Trilogy's natural gas production and 3,500 b/d of crude oil and natural gas liquids over the seven day period of suspended pipeline operations. Alliance shut down its system on August 7, following the detection of hydrogen sulfide gas that entered the system as a result of complications experienced by an upstream operator. The mainline pipeline system was restarted and commercial operations and service resumed on August 13. In addition, TransCanada Corporation was required to suspend a lateral pipeline that services multiple Trilogy plants in order to conduct unplanned repair work from August 10 to 14. This outage has resulted in a deferral of approximately 29 MMcf/d of Trilogy's natural gas production and 3,000 b/d of crude oil and natural gas liquids over the five day period. The cumulative downtime is expected to reduce Trilogy's estimated third quarter 2015 production by approximately 1,200 boe/d and annual production by approximately 300 boe/d.

<http://trilogyenergy.mwnewsroom.com/Files/9c/9c8f169d-0315-48c3-80b8-1850d3a354e7.pdf>

Other News

EPA Proposes New Measures to Cut Methane Emissions from Oil and Gas Sector August 18

The U.S. Environmental Protection Agency (EPA) today announced proposed standards that would reduce emissions of greenhouse gases (GHG) and volatile organic compounds (VOC) from the oil and natural gas industry. The proposal is a part of the Administration's strategy under President Obama's Climate Action Plan to cut methane emissions from the oil and gas sector by 40 to 45 percent from 2012 levels by 2025. The proposed standards for new and modified sources are expected to reduce 340,000 to 400,000 short tons of methane in 2025, the equivalent of reducing 7.7 to 9 million metric tons of carbon dioxide. Those standards are also expected to reduce 170,000 to 180,000 tons of ozone-forming VOCs in 2025, along with 1,900 to 2,500 tons of air toxics, such as benzene, toluene, ethylbenzene, and xylene.

<http://yosemite.epa.gov/opa/admpress.nsf/0/E5F2425E2E668A2B85257EA5005176FA>

Kuwait Shuts 200,000 b/d Shuaiba Oil Refinery after Fire August 17

Kuwait's Shuaiba refinery was shut down and evacuated after a large fire broke out on Monday. No one was injured in the blaze but firefighters and emergency teams were on high alert, an official at state refiner Kuwait National Petroleum Company (KNPC) said. The company's acting chief executive said the fire at the heavy oil cracking unit had been brought under control. A KNPC source said that because of refined products in storage, the country's exports would not be affected by the shutdown. The Shuaiba refinery in southern Kuwait, commissioned in 1968, is due to be closed after the new 615,000 b/d Al Zour refinery comes on line by 2019. Shuaiba refinery produces light, medium and heavy products, including gas, ordinary naphtha, gasoline, kerosene, fuel oil and diesel.

<http://www.thenational.ae/world/middle-east/kuwait-oil-refinery-shut-down-and-evacuated-following-fire>

Update: Libya's El Feel, El Sharara Oilfields to Remain Closed – Protest Official

Libya's western El Sharara and El Feel oilfields remain closed due to protests despite efforts by tribal leaders to reopen them, a member of the protesters said on Tuesday. The two fields, which have produced around 400,000 b/d, have been closed for months due to pipeline blockades and a strike of oil security guards.

Reuters, 11:48 August 18, 2015

Energy Prices

U.S. Oil and Gas Prices			
August 18, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	42.53	43.06	96.08
NATURAL GAS Henry Hub \$/Million Btu	2.76	2.85	3.77

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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