



ENERGY ASSURANCE DAILY

Tuesday Evening, September 02, 2014

Electricity

Update: TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Restarts by August 31, Ramps Up to 88 Percent by September 2

The unit was shut from 96 percent power on August 26 due to a turbine trip. The cause of the turbine trip was a control valve fast closure signal that was generated by a turbine trip on generator neutral over voltage signal.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20140827en.html>

Southern's 1,152 MW Vogtle Nuclear Unit 1 in Georgia Reduced to 33 Percent by August 31

Southern Co said on Tuesday it reduced its Vogtle 1 nuclear power plant in Georgia from full power to perform maintenance on the cooling water system of the main generator.

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

Reuters, 11:42 September 2, 2014

AES's 506 MW Redondo Gas-fired Unit 7 in California Shut by August 29

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201408291515.html>

Dynegy, LLC's 510 MW Moss Landing Gas-fired Unit 2 in California Reduced by August 31

The unit entered an unplanned curtailment of 260 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201408311515.html>

San Diego Gas & Electric's 575 MW Palomar Energy Center Gas-fired Unit in California Reduced by August 31

The unit entered an unplanned curtailment of 135 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201408311515.html>

Update: AES's 336 MW Alamitos Gas-fired Unit 4 in California Returns to Service by August 31

The unit returned from an unplanned outage that began by August 28.

<http://content.aiso.com/unitstatus/data/unitstatus201408311515.html>

Update: Mirant's 312 MW Pittsburg Gas-fired Unit 5 in California Returns to Service by August 30

The unit returned from an unplanned outage that began by August 27.

<http://content.aiso.com/unitstatus/data/unitstatus201408301515.html>

Update: BP's 413,500 b/d Whiting, Indiana Refinery Running 30 Percent Below Capacity Following Hydrotreater Compressor Fire – IIR Energy

BP Plc's refinery in Whiting, Indiana was running about 30 percent below capacity on all units following a fire on a compressor for a hydrotreater, intelligence firm IIR Energy said on Friday. Both fluidic catalytic cracking units and three pipestill were affected by the fire and the impacts could last several weeks, IIR said.
Reuters, 11:06 August 29, 2014

Update: CVR Says Its 115,000 b/d Coffeyville, Kansas Refinery Resumed Normal Operations Last Week after Fire

CVR Refining LP said on Tuesday it resumed normal operations last week at its Coffeyville, Kansas, refinery. The refinery was shut down on July 29 after a fire damaged its isomerization unit and distributive controls system.
Reuters, 8:18 September 2, 2014

Total's 225,500 b/d Port Arthur, Texas Refinery Cuts Back Diesel Hydrotreater Due to Heavy Rain August 30 – Filing

Production was cut back on the diesel hydrotreater at Total Petrochemicals' Port Arthur, Texas refinery on Saturday due to heavy rain, according to a notice the refinery filed with Texas pollution regulators. The diesel hydrotreater has a capacity of 30,000 b/d.
Reuters, 13:33 August 31, 2014

Update: Tesoro Says Operations Normal August 28 after Fire at Its 166,000 b/d Martinez, California Refinery

Tesoro says operations were normal at its Martinez, California refinery and there were no injuries or impacts after a small fire on August 26.
Reuters, 17:25 August 28, 2014

Dakota Plains to Build Third 90,000 Barrel Crude Oil Storage Tank at Its Pioneer Rail Terminal in North Dakota

Dakota Plains Holdings, Inc. today announced it approved the expansion of oil storage at its Pioneer Terminal in New Town, North Dakota. Construction of a third 90,000 barrel storage tank was set to immediately commence and the company expects the storage tank to be operational by summer 2015. The Pioneer Terminal currently has sustainable throughput capacity of 45,000 b/d with onsite oil storage of 180,000 barrels. The addition of a third storage tank, recently announced Hiland Partners gathering pipeline, and anticipated expanded rail service will facilitate increasing the sustainable throughput rate to a unit train per day–equivalent to 80,000 b/d.
http://files.shareholder.com/downloads/AMDA-2SK2PP/3406329772x0x779218/ca1318ab-e600-4966-9f4a-13abd03f1f48/DAKP_News_2014_9_2_General_Releases.pdf

California Office of Emergency Services Passes Oil Train Notification Regulation

California's Office of Emergency Services on Friday passed legislation requiring railroad companies to notify emergency officials when trains carrying crude oil from Canada and North Dakota are headed to refineries in the state. Railroads are not currently required to proactively share their oil train schedules with first responders.
http://www.downstreamtoday.com/news/article.aspx?a_id=44331

Michigan Task Force Begins Oil Pipeline Safety Review

The Michigan Petroleum Pipeline Task Force held its first meeting Thursday and officials said the initial focus was on Enbridge Energy Partners LP's Line 5. It includes two lines that run beneath the Straits of Mackinac separating the state's two peninsulas where Lakes Huron and Michigan converge. The task force was reviewing the company's response to questions about Line 5 from the Department of Environmental Quality and the state attorney general's office.
<http://www.michigan.gov/pipelinetaskforce>.
Reuters, 16:15 August 29, 2014

Duke Energy, Piedmont Natural Gas Select Dominion to Build 1.5 Bcf/d Atlantic Coast Pipeline to Transport Natural Gas from West Virginia to Eastern North Carolina

Duke Energy and Piedmont Natural Gas today announced the selection of Dominion to build and operate the 550-mile interstate Atlantic Coast natural gas pipeline from West Virginia, through Virginia and into eastern North Carolina. Gas will be carried through a 42-inch-diameter pipe in West Virginia and Virginia, and a 36-inch-diameter pipe in North Carolina. The pipeline's main customers are six utilities and related companies that collectively will purchase a substantial majority of the pipeline's capacity to transport natural gas—Duke Energy Carolinas, Duke Energy Progress, Virginia Power Services Energy, Piedmont Natural Gas, Virginia Natural Gas, and PSNC Energy. The pipeline has a target in-service date of late 2018. The project will require Federal Energy Regulatory Commission approval, which Dominion will seek to secure by summer 2016.

<http://www.duke-energy.com/news/releases/2014090201.asp>

EQT and NextEra Energy Announce Mountain Valley Pipeline Project to Deliver at Least 2 Bcf/d of Gas to Mid- and South Atlantic Regions

EQT Corporation and NextEra US Gas Assets, LLC today announced the formation of a joint venture, Mountain Valley Pipeline, LLC, that will construct and own the Mountain Valley Pipeline. The joint venture also announced the launch of a binding open season for the Mountain Valley Pipeline. The companies also announced EQT Corporation, through one or more of its affiliates, including EQT Midstream Partners, LP will operate the pipeline and own a majority interest in the joint venture. The Mountain Valley Pipeline is expected to provide at least 2 Bcf/d of firm transmission capacity to demand markets in the Mid- and South Atlantic regions of the U.S. Subject to FERC approval, the estimated 330-mile Mountain Valley Pipeline will connect the existing Equitrans transmission system in West Virginia, to Transcontinental Gas Pipeline Company's (Transco) Zone 5 compressor station 165 in Virginia. To-date, the joint venture has received firm capacity commitments that total 1.5 Bcf /d. The pipeline is expected to be in-service during the fourth quarter 2018. The binding open season is scheduled to end on September 29.

<http://media.eqt.com/press-release/eqt-and-nextera-energy-announce-mountain-valley-pipeline-project-joint-venture-formati>

Morgan Stanley Plans 60 Bcf/y Compressed Natural Gas Export Plant Near Freeport, Texas

Morgan Stanley filed plans to build and run one of the first U.S. compressed natural gas export facilities. In a 23-page application to the U.S. Department of Energy's Office of Fossil Energy submitted in May, the bank outlined a proposal to build, own, and operate a compression and container loading facility near Freeport, Texas, which will have capacity to ship 60 billion cubic feet a year (Bcf/y) of compressed natural gas (CNG). The bank plans to ship CNG to countries with which the U.S. has free trade agreements, including the Dominican Republic, Panama, Guatemala, El Salvador, Honduras, and Costa Rica, according to the filing.

Reuters, 1:00 August 29, 2014

DCP Midstream Reports Flaring at Its 160 MMcf/d Goldsmith Gas Plant in Texas September 1

DCP Midstream reported that excess inlet volumes and engine no. 22 going down caused flaring of gas. The gas was curtailed and engine no. 22 was placed back online.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=202992>

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas August 31

Regency reported the acid gas injector (AGI) compressor shut on high first stage suction temperature. The set point on the waste heat recovery units was lowered to reduce amine still pressure.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=202984>

Other News

Coal-Burning Power Plants Forced to Use Barges, Trucks to Move Coal Due to Bottleneck on Railroads

U.S. coal-burning power utilities are being forced to turn to barges and more expensive trucks to move coal due to widespread bottlenecks on rail networks. The shift in how coal is being delivered to some power plants from mining regions such as Illinois Basin and comes amid persistent railroad delays that began during last year's severe North American winter. About 40 percent of U.S. power is generated from coal-burning plants, and 75 percent of U.S. coal relies on freight railroads to get to power plants, according to Wood Mackenzie, an energy consultancy. The chief executive of Waterways Council Inc, a trade association for shippers and barge operators, estimates that coal shipments by barges are cheaper than rail by about \$14 per ton on average.

Reuters, 14:00 August 28, 2014

International News

Fire Extinguished on Saudi Oil Pipeline after Assailants Shoot at Police Patrol September 2

A small fire broke out on a gas pipeline in eastern Saudi Arabia on Tuesday after assailants shot at a police patrol, security and oil industry sources said. The pipeline was repaired and there was no impact on oil or gas production, the sources said. The brief fire was started by a bullet hitting the pipeline after shots were fired at a police car patrolling the oil-rich Eastern Province early on Tuesday, an Interior Ministry spokesman said.

Reuters, 12:26 September 2, 2014

Update: Disputed Kurdish Oil Tanker Reappears Off Texas Coast, Remains Full

The United Kalavrta tanker carrying disputed Iraqi Kurdish crude oil reappeared on satellite tracking on Monday near Texas, days after having gone silent with a \$100 million cargo, but the latest vessel data showed it had not offloaded at sea. According to AIS ship tracking data, the tanker, which has been in limbo for weeks, was still 95 percent full. Iraq filed a lawsuit in a U.S. court saying exports by the Kurdistan Regional Government (KRG) are illegal. The KRG argues they are allowed under the Iraqi constitution. The vessel was anchored on Monday in the Galveston Offshore Lightering Area.

http://www.downstreamtoday.com/news/article.aspx?a_id=44332

Gazprom Neft Starts Commercial Production at Badra Oilfield in Iraq

Gazprom Neft reported on Monday that commercial production and oil exports started at its Badra oilfield in Iraq. The first oil from the field was being delivered to Iraq's main pipeline system for transfer to the export terminal in Basra on the Persian Gulf. The company said current deliveries from Badra to the pipeline stand at more than 15,000 b/d that this level should be maintained until the end of 2014. Gazprom Neft also said that the consortium of companies involved in Badra should begin receiving a share of the oil produced at the field within 90 days, according to the service contract the consortium has with the Iraqi government. Two wells are currently in production at the field and a further three wells are being drilled under a contract with Chinese company ZPEC. According to the service contract, production at the field will eventually achieve 170,000 b/d.

http://www.rigzone.com/news/oil_gas/a/134810/Gazprom_Neft_Starts_Commercial_Production_at_Badra_Field_Iraq#sthash.PUt3gK83.dpuf

Energy Prices

U.S. Oil and Gas Prices			
September 2, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	93.35	93.57	108.02
NATURAL GAS Henry Hub \$/Million Btu	4.03	3.86	3.58

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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