



ENERGY ASSURANCE DAILY

Thursday Evening, September 18, 2014

Electricity

Update: PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Ramps Up to 85 Percent by September 18

On the morning of September 17 the unit was operating at 73 percent. The unit restarted by September 14 after being shut from full power September 6 to inspect its turbine blades.

<http://pplweb.mediaroom.com/index.php?s=12270&item=137091>

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

Petroleum

Linc Energy's Crude Oil Tank Explodes Due to Lightning Strikes in Baytown, Texas September 17

A lightning strike on Linc Energy's crude oil tanks caused an explosion in Baytown, Texas Wednesday afternoon, according to the Baytown Fire Department. The city of Baytown said two tanks containing approximately 1,400 barrels of crude oil and three tanks containing brine water were destroyed. The fire continued for about 45 minutes and then burned itself out.

<http://www.chron.com/neighborhood/bayarea/news/article/Explosion-after-lightning-strikes-oil-tank-in-5762101.php>

CVR Energy Reports Emissions Due to Unknown Reasons at Its 70,000 b/d Wynnewood, Oklahoma Refinery September 11

Reuters, 15:26 September 17, 2014

ExxonMobil Says No Production Impact from Breakdown at Its 149,500 b/d Torrance, California September 17

Reuters, 16:54 September 17, 2014

Supreme Court of British Columbia Rejects Bid to Block Kinder Morgan's 890,000 b/d Trans Mountain Pipeline Expansion September 17

The Supreme Court of British Columbia rejected the City of Burnaby's bid for a temporary injunction to stop survey work for Kinder Morgan's proposed expansion of its Trans Mountain crude pipeline to 890,000 b/d. Burnaby mayor Derek Corrigan said he was "disappointed and frustrated" by the court's decision but said the municipality would continue to push for a permanent injunction. The company wants to twin the pipeline, which was built in 1953 and runs from the oil sand hub of Edmonton to its marine terminal in Burnaby. The company said it had been granted permission to carry out the work by the National Energy Board (NEB), while the city argued it was against municipal law and blocked access to the site. Burnaby then asked the court for an injunction to block any work that would disrupt parkland. The pipeline company responded by asking the NEB to prevent the city from stopping its crews. Kinder Morgan has said it needs to complete environmental and geotechnical studies that it must submit to the NEB before a December 1 deadline. The regulator has already pushed back its decision on the project by about six months to January 2016.

<http://finance.yahoo.com/news/british-columbia-court-rejects-bid-025654874.html>

Cenovus Announces First Oil Production from 30,000 b/d Expansion at Its Foster Creek Project in Alberta

Cenovus Energy Inc. on Wednesday announced it achieved first oil production at its recently-completed Foster Creek phase F expansion earlier this month. Phase F was expected to add 30,000 b/d of capacity, with production ramping up over the next 12 to 18 months. By year-end, production from phase F was expected to be approximately 5,000 b/d. Phases G and H are under construction and are expected to add another 30,000 b/d each with first production anticipated in late 2015 and 2016, respectively. This will bring total expected gross production capacity at Foster Creek to 210,000 b/d. Following the completion of phases F, G, and H, optimization work is expected to increase total capacity by another 15,000 to 35,000 b/d. Changes to the F, G, and H expansion include improvements to the oil and water plant, safety systems, completion designs and the incorporation of recent regulatory changes. <http://www.cenovus.com/news/news-releases/2014/20140917-first-oil-achieved-phase-f.html>

Natural Gas

Tennessee Gas Pipeline Files Natural Gas Capacity Proposal for State of Maine

Tennessee Gas Pipeline Company (TGP), a Kinder Morgan Energy Partners, L.P. company, on Wednesday filed a proposal with the Maine Public Utilities Commission offering the State of Maine a long-term contract for natural gas pipeline capacity with the goal of lowering overall energy costs for Maine consumers. TGP previously announced an agreement with multiple local gas distribution companies across New England for approximately 500 MMcf/d on TGP's Northeast Energy Direct project for the needs of those particular companies. The Maine Public Utilities Commission has authority to execute an Energy Cost Reduction Contract under the Maine Energy Cost Reduction Act, which authorizes the Maine PUC to purchase up to 200 MMcf/d of pipeline capacity for up to 20 years, subject to satisfying certain conditions. TGP's proposal was being filed in response to a proceeding the Commission opened in March 2014 to implement its authority.

<http://phx.corporate-ir.net/phoenix.zhtml?c=119776&p=irol-newsArticle&ID=1969133&highlight>

Other News

11,000 Pounds of Copper Stolen from City of Dover Electric Department's McKee Run Generating Station in Delaware

Delaware police arrested a man for stealing nearly 11,000 pounds of copper wire worth an estimated \$30,000 between November 2012 and July 2014 from McKee Run Generating Station in Dover, Delaware.

[http://6abc.com/news/police-worker-stole-\\$30k-of-copper-wire-from-power-plant/310960/](http://6abc.com/news/police-worker-stole-$30k-of-copper-wire-from-power-plant/310960/)

International News

Update: Libya's 120,000 b/d Zawiya Refinery Shut September 18, El Sharara Oilfield Remains Shut Due to Damage

Libya's Zawiya refinery was shut after storage was damaged in fighting between armed groups, an oil ministry official said on Thursday. The El Sharara field feeding the refinery also remained closed, the head of the inspection and measurement department at the oil ministry said. He said he did not know when the refinery and oil field would resume work. The field closure will bring Libya's oil production down to around 670,000 b/d, based on production of 870,000 b/d reported by state-run National Oil Corp (NOC) on Sunday.

http://www.rigzone.com/news/oil_gas/a/135083/Libyas_Zawiya_Refinery_El_Sharara_Oilfield_Shut#sthash.dfd7EftW.dpuf

Reuters, 9:11 September 17, 2014

Shell Says Nigeria Oil Union Strike Not Affecting Crude Oil, LNG Exports

A strike by Nigeria's oil unions was not having any immediate impact on crude oil or LNG exports, despite moving into a third day, spokesmen for leading operator Shell and Nigeria LNG (NLNG) said. Nigerian oil unions said the strike could affect exports if no agreement was reached with the government. The spokesman for NLNG, the gas exporter which is run jointly by Shell and the government, said he did not foresee any impact from the strike, which began on Tuesday. The dispute was over pensions and a lack of crude supplied to refineries. Also indicating that the strike has yet to have any impact, the Qua Iboe grade of crude oil for November export came to market on Thursday, on schedule.

Reuters, 9:58 September 18, 2014

Energy Prices

U.S. Oil and Gas Prices			
September 18, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	93.28	91.88	107.30
NATURAL GAS Henry Hub \$/Million Btu	3.97	3.96	3.72

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>

Please direct comments and questions to: ead@oe.netl.doe.gov