



ENERGY ASSURANCE DAILY

Friday Evening, November 21, 2014

Electricity

Fire, Oil Leak Reported at Kentucky Power's Baker Substation in Kentucky November 20

Firefighters controlled a fire at Kentucky Power's Baker substation in Louisa, Kentucky November 20 following a transformer explosion. Crews removed over 3,000 gallons of lubricating oil that leaked into a nearby ditch at the substation and were monitoring the blaze that was estimated to continue burning for several hours.

<http://www.wsaz.com/news/headlines/Kentucky-Power--283301241.html>

Update: Exelon's 850 MW Dresden Nuclear Unit 3 in Illinois Ramps Up to 62 Percent by November 21

On the morning of November 20 the unit was operating at 20 percent after restarting by November 19.

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

NRC Increases Oversight of FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida

The U.S. Nuclear Regulatory Commission (NRC) announced November 20 it was increasing its oversight of the Saint Lucie Unit 1 reactor in Jensen Beach, Florida due to violations linked to plant operator Florida Power & Light's (FPL's) failure to ensure that the reactor's auxiliary building was watertight. The operator agreed to take corrective actions to repair flood seals, increase inspections of flood protection features, and revise flood response procedures.

<http://protectingyourpocket.blog.palmbeachpost.com/2014/11/20/feds-increase-oversight-of-fpls-st-lucie-nuclear-plant/>

Petroleum

Fieldwood Energy Reports Explosion on Its Echo Platform in Gulf of Mexico November 20

The Bureau of Safety and Environmental Enforcement (BSEE) was responding to an explosion at West Delta 105 in the Gulf of Mexico, approximately 12 miles off the coast of New Orleans, Louisiana. The offshore oil and gas operator, Fieldwood Energy, reported the explosion on its Echo Platform just before 3 p.m. CST Thursday. The operator reported that there was one fatality and three others being treated at an onshore medical facility as a result of the incident. The Echo Platform was not in production at the time of the incident. The facility damage was limited to the explosion area and there was no pollution reported. BSEE is coordinating with the U.S. Coast Guard during the response and will investigate the incident.

<http://www.bsee.gov/BSEE-Newsroom/Press-Releases/2014/BSEE-Responds-to-Explosion-in-the-Gulf-of-Mexico/>
<http://www.fieldwoodenergy.com/Matt-McCarroll-regarding-incident-at-West-Delta-105-E.html>

CSX Warns New York Snowstorm May Cause Delays on Main Crude Oil Route

CSX Corp warned customers on Thursday that a massive snowstorm in Buffalo, New York, may cause delays of up to 48 hours on deliveries along its main crude oil by rail route. Norfolk Southern issued an embargo on Wednesday on all shipments running through Buffalo, prompting Union Pacific to do the same. The CSX line carries crude from Chicago, Illinois to Albany, New York, where it is loaded onto ships that sail to Irving's 298,000 b/d Saint John refinery in New Brunswick, Canada, or taken to refineries in the Philadelphia area. A rail industry source said that any East Coast refiner that relies exclusively on CSX is going to need to look at other options for securing a crude oil source during the disruption.

<http://www.csx.com/index.cfm/customers/news/service-bulletins/customer-service-advisory-more-snow-hitting-buffalo-area/>

<http://www.reuters.com/article/2014/11/20/csx-newyork-crude-idUSL2N0TA2T20141120>

Iowa Governor Approves Emergency Proclamation Allowing More Diesel Transport November 20

Governor Terry E. Branstad on Thursday approved an emergency proclamation suspending the regulatory provisions pertaining to hours of service for drivers of commercial motor vehicles transporting diesel products. Pipeline and refining outages affecting the supply of diesel products, coupled with the abrupt and early drop in temperatures, have resulted in low inventories of diesel products in Iowa and the upper Midwest. The Governor's emergency proclamation suspends regulatory provisions of the Iowa Code pertaining to hours of service for crews and drivers delivering diesel products.

<https://governor.iowa.gov/2014/11/governor-branstad-approves-emergency-proclamation-allowing-for-more-diesel-transport/>

PBF Reports Sulfur Dioxide Emissions at Its 182,000 b/d Delaware City, Delaware Refinery November 20

Reuters, 14:48 November 20, 2014

Shell Identifies Process Unit as Emissions Source at Its 75,000 b/d Sarnia, Ontario Refinery November 20

Royal Dutch Shell PLC said personnel detected smoke caused by smoldering material including insulation outside one of the process units at its Sarnia manufacturing center. The cause was being investigated but there was no material impact to production.

Reuters, 17:19 November 20, 2014

Shell Says Operations Normal at Its 145,000 b/d Puget Sound, Washington Refinery November 20 after SRU Shut November 13

Royal Dutch Shell Plc Shell said its Puget Sound, Washington refinery returned to normal operations Thursday after the sulfur recovery unit (SRU) shut down on November 13.

Reuters, 21:39 November 20, 2014

Reuters, 15:03 November 20, 2014

Tesoro Reports Unit Shutdown, Emissions at Its 166,000 b/d Martinez, California Refinery November 18

Tesoro Corp reported a unit shutdown at its Golden Eagle refinery in Martinez, California on November 18, according to a filing with Contra Costa Health Services.

Reuters, 14:01 November 20, 2014

Enterprise Considering New 430-Mile Permian Pipeline in Texas

Enterprise Products Partners may build a new approximately 430-mile crude and condensate pipeline from Midland, Texas to its Sealy terminal. From Sealy the company's Rancho pipeline moves crude and condensate to its Enterprise Crude Houston Oil (ECHO) terminal in Houston. From ECHO, stabilized condensate bound for international export could move to export docks in Texas City, Houston or Beaumont. Enterprise is also building its twin Rancho II pipeline from Sealy to ECHO, slated to start up in the third quarter next year. The company said it is in talks with potential customers to gauge interest, and those discussions will determine whether to build the line.

Reuters, 15:37 November 20, 2014

Magellan Midstream Extends Open Season, Expands Origin Options for Its 400,000 b/d Saddlehorn Pipeline from Colorado to Oklahoma

Magellan Midstream Partners, L.P. on Thursday announced an extension of the open season for commitments on the Saddlehorn Pipeline to transport various grades of crude oil from the Niobrara play in northeast Colorado to Magellan's storage facilities in Cushing, Oklahoma. Binding commitments are now due on December 15. The Saddlehorn Pipeline includes construction of an approximate 600-mile, 20-inch diameter pipeline capable of transporting up to 400,000 b/d of crude oil from Platteville, Colorado to Magellan's storage facilities in Cushing. Magellan is also broadening the scope of the pipeline system to include up to three new origin points for receipt of crude oil, subject to sufficient shipper support for the new origins. Along with Platteville, additional origin points in Colorado could be available in Weld County near Riverside, Briggsdale, and Pawnee. Subject to receipt of any necessary permits and regulatory approvals, the Saddlehorn Pipeline from Platteville to Cushing is expected to be operational during the second quarter of 2016.

<http://www.magellanlp.com/magellannews.aspx?id=2147484006>

Natural Gas

Nothing to report.

Other News

EPA Delays Release of Final 2014 Biofuel Targets Until 2015

The U.S. Environmental Protection Agency (EPA) on Friday said it will not finalize the federal 2014 biofuel use targets by the end of the year, delaying a final decision on the mandate until next year. The agency blamed the delay on the “significant” amount of comments it received on its draft proposal for the 2014 targets.

Reuters, 11:01 November 21, 2014

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices November 21, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	76.33	75.30	95.36
NATURAL GAS Henry Hub \$/Million Btu	4.41	4.17	3.63

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.

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<http://www.oe.netl.doe.gov/ead.aspx>

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