



ENERGY ASSURANCE DAILY

Tuesday Evening, December 4, 2012

Electricity

Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York at Full Power by December 4

On the morning of December 3 the unit was operating at 75 percent after being reduced from full power on Sunday to remove algae and debris that accumulated in the station's main condenser waterboxes.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Update: Constellation's 565 MW Nine Mile Point Nuclear Unit 1 in New York Restarts, Ramps Up to 37 Percent by December 4

Nine Mile Point Unit 1 is returning from an outage that began December 1, when operators shut the reactor to conduct turbine system repairs.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

TMPA to Shut 470 MW Gibbons Creek Coal-Fired Unit in Texas December 3

The Texas Municipal Power Agency (TMPA) shut the Gibbons Creek unit late Monday to fix a tube leak, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176663>

PPL Electric Utilities Completes Upgrades at Its Luzerne Substation in Pennsylvania

PPL Electric Utilities on Friday reported it had recently completed an upgrade to its Jenkins substation in Luzerne County, which converts high-voltage electricity from 230 to 69 kilovolts. Power lines from Jenkins then supply other area substations that deliver power to local customers. The Jenkins substation improvements included new circuit breakers and other equipment to bolster substation performance and help maintain the reliability of a 230-kV transmission line that feeds the substation. The overall project, which took about 14 months to complete, also included improvements to the switchyard at PPL's Susquehanna nuclear power plant in Luzerne County, and at PPL Electric Utilities' Stanton substation in Exeter Township. The improvements at the substations will relieve load on equipment and strengthen reliability.

<http://pplweb.mediaroom.com/index.php?s=12270&item=135938>

Petroleum

Update: Colonial Pipeline Gasoline Line 1 to Remain Shut for Two Days as Initial Repairs Fail on Houston Section December 3

Colonial Pipeline said on Monday that the Houston section of Line 1, its main gasoline line, would remain shut for another round of repairs for a minimum of two days after initial repairs failed. The line continues to run at slightly reduced rates east of Houston from other origin points, including Pasadena, Texas. The current repair is expected to take at least 48 hours "but is certain to hold," according to a Colonial spokesman.

Reuters, 13:19 December 3, 2012

Update: Motiva's 325,000 b/d CDU at Its 600,000 b/d Port Arthur, Texas Refinery in Early Start-Up December 3

Motiva Enterprise LLC said Monday that the damaged 325,000 b/d crude distillation unit (CDU) at its Port Arthur refinery is in the early stages of starting up. The unit has been shut since a June 9 fire, after which extensive corrosion was discovered in the CDU's vessels and piping due to a caustic leak. The restart process may take weeks, and the company is still targeting early 2013 for full operations.

Reuters, 19:22 December 3, 2012

Valero Reports Tube Leak at Its 83,000 b/d Houston, Texas Refinery December 3

According to a filing with the Texas Commission on Environmental Quality, a tube leak developed in a process heat exchanger located resulting in a small discharge of light hydrocarbon emissions. The leak was isolated to minimize emissions.

Reuters, 19:07 December 3, 2012

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=176662>

Valero Reports Flaring at Its 163,000 b/d Corpus Christi, Texas Refinery December 3

According to a filing with the Texas Commission on Environmental Quality, Valero's third-party gas supplier experienced an upset and routed vents to the BUP Flare to reduce emissions.

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=176658>

Precipitator Trip Causes Emissions at Valero's 171,000 b/d McKee, Texas Refinery December 1

Valero Energy Corp. reported emissions from its McKee refinery on Saturday afternoon were due to a precipitator field tripping offline, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=176616>

Benzene Leaks from Pipeline at ExxonMobil's 503,000 b/d Baton Rouge, Louisiana Refinery December 1

ExxonMobil Corp. reported about 10 pounds of benzene were released by a pipeline leak at its Baton Rouge refinery on Saturday afternoon, according to a filing with the U.S. National Response Center. Operators were conducting atmospheric monitoring at the site and had placed absorbent pads under the leak.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1032024

Philadelphia Energy Reports Reformer, Hydrotreater, Isomerization Unit Shutdowns at Its 335,000 b/d Philadelphia, Pennsylvania Refinery November 26

Philadelphia Energy Solutions reported the shutdown of reformer No. 1332, hydrotreater No. 231, and isomerization unit No. 331 at the Girard Point section of its Philadelphia refinery on November 26, according to a filing with state pollution regulators. A hydrogen heater tripped and would not relight, the filing said.

Reuters, 16:39 November 30, 2012

No Evacuations Ordered at PBF Energy's 180,000 b/d Paulsboro, New Jersey Refinery After Chemical Leak Caused by Rail Bridge Collapse November 30 – Police

No evacuations were ordered at PBF Energy's Paulsboro refinery following a chemical leak caused by the collapse on Friday of a nearby rail bridge, local officials said. A Conrail freight train derailed over a creek in southern New Jersey, spilling more than 12,000 gallons of vinyl chloride into the air and water. It was not clear whether the bridge's collapse will have any impact on the refinery's output, and a PBF spokesperson declined to comment on the refinery's operations.

<http://www.reuters.com/article/2012/11/30/us-usa-train-derailment-idUSBRE8AT0PF20121130>

http://articles.chicagotribune.com/2012-11-30/news/sns-rt-usa-trainrefinery11e8muaxi-20121130_1_barrel-per-day-refinery-bridge-collapse-leak-police

Update: No Explosion or Fire at Valero's 180,000 b/d Memphis, Tennessee Refinery

Valero Energy Corp. said that there was no fire or explosion at its 180,000 b/d refinery in Memphis Tennessee on December 3, during an incident that resulted in the injury of one employee and the death of another. The company said that the rupture of a small window on a unit at the refinery injured the workers, but it did not involve an explosion or fire. Additionally, Valero said that refinery operations were not affected by the incident. Officials are investigating what chemicals were behind the glass that ruptured.

Reuters, 11:42 December 3, 2012

Update: Most Units at Citgo's 167,000 b/d Lemont, Illinois Refinery Back to Normal December 3

Citgo Petroleum Corp. reported Monday that most units at its 167,000 b/d Lemont, Illinois refinery returned to normal operations Sunday evening after an unspecified unit upset led to a release of sulfur dioxide earlier in the day.

Reuters, 16:40 December 3, 2012

Update: FCCU Running at Reduced Rates During Hydrotreater Shutdown at BP's 265,000 b/d Carson, California Refinery November 30 – Sources

BP Plc was operating a fluid catalytic cracking unit (FCCU) at its Carson refinery at reduced rates on Friday while a hydrotreater unit was shut, according to sources familiar with refinery operations. A malfunction on the FCCU had triggered flaring on Thursday, traders said. BP declined to discuss operations at the refinery on Friday.
Reuters, 13:40 November 30, 2012

Update: TransMontaigne to Participate in BOSTCO Terminal Project in Houston Ship Channel

TransMontaigne Partners said December 4 it has received approval from Morgan Stanley to acquire a 48.75% ownership interest in the Battleground Oil Specialty Terminal Company (BOSTCO) terminal project. The project involves construction of a black oil terminal on the Houston Ship Channel in Texas that would handle slurry oil, residual fuel oil, blendstocks, vacuum gas, and crude oil. It would involve two deepwater ship docks, twelve barge spots, twelve rail spots, pipeline connections for crude, and 7.8 million barrels of storage. It could eventually include two additional deepwater ship docks, eight additional barge spots, and 2.5 million barrels of additional storage and pipeline connections for other petroleum products. The project is scheduled to open by the spring of 2013.

http://www.tankstoragemag.com/industry_news.php?item_id=5686

Natural Gas

Update: Lone Star Completes Construction of 209,000 b/d West Texas Gateway NGL Pipeline in Texas Ahead of Schedule

Energy Transfer Partners, L.P. and Regency Energy Partners L.P. announced Tuesday that they had completed construction a 570-mile, 16-inch West Texas Gateway NGL pipeline earlier than originally anticipated. The West Texas Gateway was originally scheduled to be completed in the first quarter of 2013. The pipeline extends from Winkler County in West Texas to ETP's Jackson County processing plant in Jackson County, Texas, with an initial capacity of approximately 209,000 b/d. The fractionator facility at Mont Belvieu to handle this additional capacity is scheduled to be completed in the fourth quarter of 2013.

<http://ir.energytransfer.com/phoenix.zhtml?c=106094&p=irol-newsArticle&ID=1764156>

Southern Union Reports Flaring at Its 140 MMcf/d Keystone Gas Plant in Texas November 29

Southern Union Gas Services reported it was flaring low-pressure gas at its Keystone plant on Thursday after field compressors upstream shut down, causing the low pressure system to overload, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176565>

Pump Malfunction Shuts AGI Units at Enbridge's Tilden Gas Plant in Texas November 30

Enbridge reported a pump malfunction caused acid gas injector (AGI) Units 1 and 2 to shut down at its Tilden gas plant Friday morning, according to filings with the Texas Commission on Environmental Quality. As operators were restarting the units, an acute volume of liquid made its way to the flare. This ignited the liquids, which subsequently exited and landed on the ground adjacent to the flare structure. This resulted in a small ground fire and an opacity event for 5 minutes.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176597>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176599>

Other News

Update: DuPont Breaks Ground on 30 MMGal/Year Cellulosic Ethanol Biorefinery in Iowa November 30

DuPont on Friday broke ground on a 30 MMgal/year cellulosic ethanol facility in Nevada, Iowa and expects to complete construction in mid-2014. The new facility will produce biofuel from corn stover residues, a feedstock that consists of corn stalks and leaves. DuPont had initially estimated the plant would have a capacity of 25–27.5 MMgal/year but revised its estimates after data derived from DuPont's piloting facility in Tennessee.

<http://www2.dupont.com/media/en-us/news-events/all-releases.html>

U.S. Energy Windfall Gives a False Sense of Energy Security, Puts Country at Risk of Complacency – Energy Security Leadership Council

The Energy Security Leadership Council on Monday published a report that concludes the current U.S. energy production windfall puts the country at risk of ignoring the urgent need to transform its transportation sector to depend less on oil and more on electricity and natural gas. The council argues that because oil prices are determined globally, and because of the United States’ “excessive reliance on oil,” the U.S. economy will remain vulnerable to the risk of global price shocks caused by unrest or production cuts in the Middle East. The council is urging the administration and lawmakers to take steps to spur more energy production, including revising the five-year offshore drilling plan and overhauling the bureaucracy for permits for major energy projects. The council also said the government needs to invest more in research to reduce the cost of electric and natural gas vehicles, and must provide incentives for building refueling infrastructure to make consumers more comfortable buying them.

<http://www.secureenergy.org/media/releases/leaders-offer-sweeping-oil-security-policy-essential-strengthening-economy-fiscal-out>

http://secureenergy.org/sites/default/files/SAFE_National-Strategy-for-Energy-Security.pdf

International News

Update: Yemen Begins Repairing 110,000 b/d Maarib Crude Oil Pipeline After Reaching Deal with Tribesmen to Stop Attacks

After reaching a deal with tribesmen to stop attacks on the country’s infrastructure, Yemen has started to repair its main 110,000 b/d Maarib crude oil pipeline. The pipeline was already out of operation when it was attacked November 21 following a November 12 explosion. According to the agreement between the government and tribal leaders, the military attacks will cease, and teams are allowed to fix the pipeline and electricity lines. The 270-mile long pipeline carries light crude to the Ras Isa export terminal on the Red Sea coast and is Yemen’s main oil export pipeline.

Reuters, 10:27 December 4, 2012

<http://www.reuters.com/article/2012/12/02/yemen-military-tribes-idUSL5E8N259I20121202>

Update: South Sudan Could Restart Oil Exports by Year-End – Official

South Sudan could restart oil exports through Sudan by the end of the year after successful talks between both countries on border security, a Southern official said on Sunday. South Sudan shut down its roughly 350,000 b/d of oil output in January in a dispute with Khartoum over how much it should pay to export oil through Sudan to the Red Sea. New border tensions in the past two weeks had delayed a restart in production, originally scheduled for November 15.

Reuters, 15:04 December 2, 2012

Update: Brazil Overturns Ban on Chevron, Transocean Operations; Companies Agree to Change Offshore Safety and Operating Procedures

<http://finance.yahoo.com/news/exclusive-chevron-brazil-ban-overturned-221014728.html>

Energy Prices

U.S. Oil and Gas Prices			
December 5, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	88.07	86.86	101.08
\$/Barrel			
NATURAL GAS			
Henry Hub	3.44	3.75	3.38
\$/Million Btu			

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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

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