



ENERGY ASSURANCE DAILY

Friday Evening, December 07, 2012

Electricity

Con Edison Earmarks \$250 Million on Measures to Protect Infrastructure from Flood Damage Post-Sandy

Consolidated Edison on Thursday announced it has committed to earmark \$250 million specifically on measures that can help protect critical equipment from flood damage. These measures would include raising electrical relay houses in substations, and installing stronger barriers and flood pumps. Putting major overhead power lines underground is also a consideration and will be examined in greater detail. The utility expects that even greater investments will be needed as regional discussions evolve over the coming months and years.

<http://www.coned.com/newsroom/news/pr20121206.asp>

Update: NRC Downgrades ‘White’ Safety Findings at TVA’s Browns Ferry Nuclear Plant But Continues Increased Oversight

The U.S. Nuclear Regulatory Commission (NRC) on Wednesday told the Tennessee Valley Association (TVA) that it was lifting “white” safety classifications at the Browns Ferry nuclear power plant after operators implemented improvements. A white safety finding has low-to-moderate significance. Last summer, the NRC issued several white findings at the plant after inspections revealed that Browns Ferry operators were not familiar enough with fire safety requirements and emergency shutdown procedures, and because they did not satisfactorily understand what had caused a high-pressure injection cooling system to be out of service for 18 months. On Wednesday, the NRC said it had downgraded three white flags to green—its lowest safety level—but will continue to monitor responses to these issues through the first quarter of 2013.

<http://www.timesfreepress.com/news/2012/dec/06/browns-ferry-gets-green-light-on-some/>

<http://enewscourier.com/local/x1332349462/NRC-lifts-some-Browns-Ferry-safety-flags-will-reinspect-on-worse>

Update: Dynegy’s 510 MW Moss Landing Natural Gas-Fired Unit 1 in California Returns to Service by December 6

The unit returned from an unplanned curtailment of 260 MW that began by December 5.

<http://content.caiso.com/unitstatus/data/unitstatus201212061515.html>

Dynegy’s 335 MW El Segundo Natural Gas-Fired Unit 4 in California Shut by December 6

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201212061515.html>

Mirant’s 312 MW Pittsburg Natural Gas-Fired Unit 5 in California Shut by December 6

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201212061515.html>

Update: Motiva's 325,000 b/d CDU at Its 600,000 b/d Port Arthur, Texas Refinery On Track for Full Production by Early 2013

Motiva Enterprises has repaired a 325,000 b/d crude distillation unit (CDU) at its Port Arthur refinery and is in the process of restarting it, according to a company executive, who also said the unit was expected to be in full production by early 2013. Operators on Monday reported the unit was in the early stages of restarting, but a small leak on the unit slowed the restart early on Thursday morning, according to sources familiar with refinery operations. But the delay was expected to be minor, lasting only a couple of hours. A Motiva spokeswoman confirmed that the crude unit has been turned over to operations and was on track to re-start in early 2013, as planned.

Reuters, 20:55 December 6, 2012

Phillips 66 Shuts FCCU at Its 146,000 b/d Borger, Texas Refinery for Unspecified Maintenance December 7

Phillips 66 on Friday reported it was shutting down the Unit 29 FCCU to conduct unspecified maintenance and that emissions related to the maintenance could continue until December 14, according to a filing with the Texas Commission on Environmental Quality. Sources familiar with refinery operations on Thursday said that operators were struggling to maintain a recently restarted FCCU in production, and that they may have to shut the unit to repair problems that have developed in recent days. Phillips 66 had recently extended a planned overhaul at the refinery because maintenance was taking longer than expected. Operators began restarting units the weekend of November 24–25. On November 30, the company said it would shut its Unit 29 FCCU to conduct work on the unit after finishing work on FCCU No. 40, which is now believed to be back online.

Reuters, 16:47 December 6, 2012

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176712>

Valero Starts Up New Boiler Equipment at Its 142,000 b/d Corpus Christi, Texas Refinery December 6

Valero Energy Corp was starting up new boiler equipment at its Corpus Christi refinery on Thursday, according to a filing with the Corpus Christi/Nueces County Local Emergency Planning Committee. Production was not affected by the activity, a spokesman said.

Reuters, 20:22 December 6, 2012

Equipment Failure Causes Hydrogen Sulfide Release at HollyFrontier's 130,000 b/d El Dorado, Kansas Refinery December 5

HollyFrontier Corp. reported an unspecified equipment failure caused a release of hydrogen sulfide at its El Dorado refinery Wednesday afternoon, according to a filing with the U.S. National Response Center. Operators had not secured the release by the time of the filing.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1032450

Unplanned Repairs at Suncor's Oil Sands Base Plant in Alberta Hamper Oil Sands Output for the Year

Suncor Energy on Thursday said unplanned repairs in early November at its Oil Sands Base plant in northern Alberta have pushed production to the low end of its forecast range of 325,000 to 340,000 b/d for the year. The maintenance issues had been successfully resolved by the end of November.

<http://www.suncor.com/en/newsroom/2418.aspx?id=1701648>

Update: Enbridge Says Seaway Crude Oil Pipeline Expansion Is on Track for 2013

Enbridge Inc. on Thursday said its expansion of the Seaway pipeline to 400,000 b/d will be completed as scheduled in the first quarter of next year. The pipeline delivers crude oil from the Cushing, Oklahoma hub to refineries along the Texas Gulf Coast. Current capacity is 150,000 b/d; work on pump stations is underway and on schedule.

<http://www.reuters.com/article/2012/12/06/enbridge-seaway-idUSL1E8N6FQQ20121206?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

Enbridge Announces Light Oil Market Access Program to Expand Pipeline Access to Volumes of North Dakota and Western Canada Light Oil

Enbridge Energy Partners, L.P. on Thursday announced its plans to invest in a Light Oil Market Access Program to expand access to markets for growing volumes of North Dakota and western Canada light oil production. The overall program includes the following individual projects:

- The Sandpiper Project, which will expand Bakken takeaway capacity on Enbridge's North Dakota feeder system by 225,000 b/d to a total of 580,000 b/d, with a target in-service date of early 2016. The expansion will involve construction of an approximately 600-mile, 24-inch pipeline from Beaver Lodge, North Dakota to the Superior, Wisconsin mainline system terminal. The new line will twin the 210,000 b/d North Dakota System mainline, which now terminates at Clearbrook Terminal in Minnesota, adding 225,000 b/d of capacity on the twin line between Beaver Lodge and Clearbrook, and 375,000 b/d of capacity between Clearbrook and Superior.
- Eastern Access Upsize, which will further increase capacity on Line 6B to 570,000 b/d from the previously announced 500,000 b/d, with a target in-service date of early 2016.
- U.S. Mainline System expansions, which will further expand the Lakehead System between Flanagan, Illinois and Griffith, Indiana by constructing a 76-mile, 36-inch twin of Line 62 with an initial capacity of 570,000 b/d. Further, the capacity of the 42-inch Line 61 will be expanded to its full 1,200,000 b/d potential. Both projects have target in-service dates of mid-2015.

<http://www.enbridgepartners.com/Media-Center/News/2012/1765244/>

Natural Gas

DCP Midstream, Partners to Build 200 MMcf/d Goliad Natural Gas Processing Plant in Texas to Serve Producers in the Eagle Ford Shale

DCP Midstream LLC and DCP Midstream Partners LP on Thursday announced the construction of a new cryogenic plant that will serve growing demand from producers in the liquids-rich Eagle Ford shale. The new Goliad plant will have gas processing capacity of 200 MMcf/d and is expected to be completed by the first quarter of 2014.

<https://www.dcpmidstream.com/pdf/>

Other News

Nothing to report.

International News

Update: IAEA Says Recent Hacking Incident Had Not Been the First Attempt

International Atomic Energy Agency (IAEA) Director General Yukiya Amano on Thursday said that a recently announced hacking of the agency's computer servers was not the first time an attempt had been made to break into the organization's computer system. A few months ago a group broke into the agency's computer system and stole personal information about scientists working on peaceful uses of nuclear energy. Last week, Amano reported that a hacking incident involving one of the agency's servers happened several months ago, and the server concerned was immediately shut down after the incident occurred. Yesterday, Amano reiterated what he said last week: no sensitive information about the IAEA's nuclear inspections had been stolen.

Reuters, 15:59 December 6, 2012

Energy Prices

U.S. Oil and Gas Prices			
December 7, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	85.67	87.95	100.61
NATURAL GAS Henry Hub \$/Million Btu	3.48	3.61	3.43

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

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 PM Eastern Time. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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