



ENERGY ASSURANCE DAILY

Friday Evening, December 19, 2014

Electricity

Update: PPL's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Restarts by December 18, Ramps Up to 17 Percent by December 19

Operators disconnected unit 1 from the regional electric grid on December 13 because of a small water leak inside the containment structure.

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

<http://finance.yahoo.com/news/unit-1-susquehanna-nuclear-power-123100412.html>

Update: Southern's 856 MW Hatch Nuclear Unit 1 in Georgia Ramps Up to 93 Percent by December 19

By the morning of December 18 the unit was operating at 69 percent after restarting and ramping up to 37 percent on December 17. The unit was shut from full power by December 13.

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

Update: Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi at Full Power by December 19

By the morning of December 18 the unit was operating at 84 percent, reduced from full power on December 17.

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

Update: Duke Energy Announces Complete Ash Excavation at Its Retired W.S. Lee Steam Station in South Carolina

Duke Energy submitted filings to state regulators this week outlining additional ash excavation plans for its W.S. Lee Steam Station in Belton, South Carolina. The W.S. Lee Steam Station officially retired as a coal plant on November 6, 2014. Units 1 and 2 will be decommissioned, and unit 3 is being converted to burn natural gas. A separate 750 MW natural gas combined-cycle plant will be built at the site, with construction expected to begin in summer 2015. The retired coal plant began operating in 1951 and manages ash in two active ash basins. The site also has an inactive ash basin constructed in the 1950s, an ash structural fill and an ash fill. These storage areas hold a total of about 3.2 million tons of ash. Previously, on September 23, the company announced that ash from the inactive basin and ash fill area would be excavated. As part of an agreement with South Carolina Department of Health and Environmental Control (SCDHEC), Duke Energy on Thursday filed an ash removal plan and schedule. Excavation of these two areas of the site represents about 44 percent of ash on the property and is expected to take about three years once Duke Energy receives SCDHEC approval of the plan and all required permits.

<http://www.duke-energy.com/news/releases/2014121801.asp>

Petroleum

Pablo Energy Oil Rig Explodes, Killing 2 in Oklahoma December 19

An explosion and fire early Friday morning killed two people and critically injured two others at a Pablo Energy oil rig in southeastern Oklahoma. A spokesman for the Oklahoma Corporation Commission that regulates the oil and gas industry, said no evacuations were required in the area and there were no reports that the explosion and fire caused environmental damage that would require subsequent cleanup. The U.S. Occupational Safety and Health Administration will investigate the cause of the explosion.

<http://abcnews.go.com/US/wireStory/dead-explosion-fire-oklahoma-oil-rig-27716617>

Update: Enbridge Restarts Its 796,000 b/d Line 4 December 18 after 1,350 Barrel Crude Oil Spill at Regina, Saskatchewan Terminal Site December 17

Enbridge Inc said on Thursday it restarted its Line 4, a day after shutting it because of a 1,350 barrel oil spill at its Regina, Saskatchewan, terminal. A spokesman for the company said the pipeline, which carries oil sands crude from Alberta to Superior, Wisconsin, was restarted at 3:41 p.m. local time. However it expects the full clean up of the spill continue into next week.

Reuters, 18:41 December 18, 2014

Citgo Reports Coker Shut at Its 163,000 b/d Corpus Christi, Texas Refinery December 18

Citgo Petroleum Corp reported the shutdown of the coker unit at the west plant of its Corpus Christi, Texas refinery. A power surge from the main breaker caused a ground fault that resulted in the shutdown of the coker unit, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 17:34 December 18, 2014

Chevron Reports Flaring at Its 245,271 b/d Richmond, California Refinery December 18

Reuters, 22:17 December 18, 2014

Update: Motiva Continues Hydrocracker Expansion Plans with Different Agency at Its 600,250 b/d Port Arthur, Texas Refinery

Motiva Enterprises is still seeking a permit to expand a hydrocracker and diesel hydrotreater unit at its Texas refinery, just with a different agency, the company said on Thursday. Earlier this month, Motiva withdrew a permit application submitted to the U.S. Environmental Protection Agency in August to expand the unit at its refinery in Port Arthur. On Wednesday, the company declined to say why the application was withdrawn or whether the project was still under consideration. On Thursday, Royal Dutch Shell, which operates the refinery it jointly owns with Saudi Aramco, said the permit request remains pending with the Texas Department of Environmental Quality, which has assumed greenhouse gas permitting authority. A company spokesperson said the jurisdictional authority for this permitting was not final during the time that the original permit application was filed. Motiva is currently awaiting the approval process through TCEQ. The project, if approved, will increase diesel fuel output and push the unit's design capacity to 105,000 b/d from the current 82,000 b/d. Motiva aims to begin construction in April next year if the permit is approved.

Reuters, 17:24 December 18, 2014

Natural Gas

Natural Gas Leak at Triad Hunter Fracking Well in Ohio Plugged December 17

About 25 families in eastern Ohio remained displaced December 17 due to a natural gas leak after crews resumed operations at a temporarily plugged Triad Hunter's fracking well in Monroe County. The gas began to flow uncontrollably, prompting the evacuation of houses within a 1.5-mile radius of the well December 13.

<http://www.dispatch.com/content/stories/local/2014/12/17/families-flee-out-of-control-natural-gas-leak.html>

Meritage Midstream Announces January Startup of 15,000 b/d NGL Pipeline in Wyoming's Powder River Basin

Meritage Midstream Services II, LLC on Thursday announced operations on the first 108-mile leg of the Thunder Creek NGL Pipeline will begin in January 2015. The FERC-regulated pipeline will be owned and operated by Thunder Creek NGL Pipeline, LLC, a wholly owned subsidiary of Meritage. The pipeline serves producers in Wyoming's prolific Powder River Basin and consists of 22 miles of newly constructed pipeline and an additional 86 miles secured through a long-term lease from Phillips 66. The pipeline has an initial capacity to transport 15,000 b/d but Meritage expects to expand the pipeline's capacity to 30,000 b/d as shipper demand increases. The pipeline originates at the 50 Buttes Natural Gas Processing Complex near Gillette, Wyoming, and terminates at an interconnect with Phillips 66's Powder River Pipeline near Douglas, Wyoming. Meritage also announced that it will begin construction of a 140-mile extension of the NGL pipeline in early 2015. The 140-mile extension will include an interconnect near Cheyenne, Wyoming, into the Overland Pass Pipeline Company's 760-mile pipeline that provides NGL deliveries to the Mid-Continent market center in Conway, Kansas. This extension is expected to come into service during the first quarter of 2016.

<http://www.meritagemidstream.com/news/meritage-midstream-announces-january-startup-ngl-pipeline-powder-river-basin>

Enbridge Gas Distribution to Begin Work on GTA Project in Ontario in January

Enbridge Gas Distribution on Thursday announced that it will begin making upgrades to the backbone of its natural gas distribution system in the Greater Toronto Area (GTA) in January 2015. The GTA Project, which enhances the natural gas distribution system that supplies natural gas to Brampton, Mississauga, Vaughan, Richmond Hill, Markham, and Toronto, was approved by the Ontario Energy Board in January of this year. Construction will begin in January 2015 and is expected to finish by the end of 2015.

<https://www.enbridgegas.com/about/for-the-media/news/index.aspx?article=%0d%0ahttp%3a%2f%2fenbridgegas.mwnewsroom.com%2farticle%2fxml%3fid%3d1906894%0d%0a&year=2014>

Cheniere and GE Sign Service Agreement for 4.5 Million MTPA Sabine Pass LNG Export Terminal December 18

GE and Sabine Pass Liquefaction, a subsidiary of Cheniere Energy Partners, L.P. on Thursday announced that they have entered into a \$1 billion, 20 plus year service contract under which GE will provide spare parts and planned inspections, maintenance services, and round-the-clock technical support for the gas turbines and refrigerant compressors on the first four LNG trains currently under construction at the Sabine Pass LNG export facility. Each train will have six gas turbines and is expected to have nominal capacity to produce approximately 4.5 million metric tons per annum (mtpa) of LNG. GE will provide services that cover all major maintenance for the first four LNG trains, including parts, repairs, and field services as well as a resident team of 14 local experts including field and repair services to assist with all aspects of maintenance on the GE equipment. GE also will provide access to original parts, supported by the technical expertise of GE's field engineers, which will ensure optimal reliability.

<http://www.genewsroom.com/press-releases/cheniere-and-ge-sign-1b-service-agreement-sabine-pass-lng-export-terminal-279354>

Other News

Austin Energy Employees Accused of Stealing \$100,000 of Copper Wire December 15

Two Austin Energy employees and at least seven other people were charged December 15 of stealing thousands of pounds of copper as part of an alleged metal theft ring after investigators discovered thousands of pounds of copper were stolen and recycled for money. The total value of copper that was stolen was estimated at \$100,000.

<http://www.statesman.com/news/news/crime-law/austin-energy-employees-accused-of-stealing-copper/njTG8/>

International News

Mexico's Pemex Seeks Light Crude Imports of up to 100,000 b/d from U.S.

Mexican state-owned oil company Pemex wants to start light crude oil imports from the U.S. of up to 100,000 b/d to boost the output of higher-value refined products at home, the company's CEO said. The company is in active negotiations with U.S. companies over the imports.

Reuters, 10:51 December 19, 2014

Libya's Ras Lanuf and Es Sider Oil Ports Were Not Damaged during Fighting – Port Engineers

Libya's two biggest oil export ports, Ras Lanuf and Es Sider, were not damaged during recent clashes between forces allied to the country's competing governments, port engineers said on Friday. Last Saturday a force allied to the rival assembly based in Tripoli, the General National Congress (GNC), moved to the east to try to seize both ports. Both terminals were closed, drying exports of an estimated 300,000 b/d of oil.

Reuters, 10:11 December 19, 2014

Energy Prices

U.S. Oil and Gas Prices			
December 19, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	55.60	58.12	98.71
NATURAL GAS Henry Hub \$/Million Btu	3.67	3.68	4.25

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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