



ENERGY ASSURANCE DAILY

Friday Evening, July 18, 2014

Electricity

Update: RRI Energy, Inc.'s 215 MW Mandalay Gas-Fired Unit 2 in California Returns to Service by July 17

The unit returned from an unplanned outage that began by July 15.

<http://content.aiso.com/unitstatus/data/unitstatus201407171515.html>

Exelon to Begin Construction on Two 60 MW Natural Gas-Fired Generating Units in Maryland July 21

Exelon Generating said it will break ground July 21 on a project to create two new 60 MW natural gas-fired electric generating units in Perryman, Maryland. The units are expected to be completed by June 2015.

<http://www.baltimoresun.com/news/maryland/harford/aberdeen-havre-de-grace/ph-ag-exelon-0718-20140716,0,2725486.story>

Petroleum

Eastern Seaboard from Delaware to Florida Open to Offshore Oil Exploration July 18

The Obama administration on Friday opened up the Eastern Seaboard to offshore oil and gas exploration for the first time in decades by approving the use of sonic cannons that can pinpoint energy deposits deep beneath the ocean floor. The sonic cannons shoot sound waves 100 times louder than a jet engine through waters. The approval opens the Eastern Seaboard from the coast of Delaware down to Florida to exploration by energy companies that are preparing to apply for drilling leases in 2018, when a moratorium is set to expire. The Bureau of Ocean Energy Management said it found a way to proceed while minimizing deaths and injuries of marine life, although it acknowledges that thousands of sea creatures will be harmed.

<http://www.foxnews.com/politics/2014/07/18/obama-opens-eastern-seaboard-to-offshore-oil-exploration-for-first-time-in/>

<http://www.boem.gov/press07182014/>

BP Reports Compressor Failure at Its 405,000 b/d Whiting, Indiana Refinery July 17

BP reported a compressor failure caused flaring for about 10 minutes at its Whiting, Indiana refinery, according to a report on the website of The Times of Northwest Indiana. The compressor was quickly restarted after it went offline, the report quoted a source as saying, adding there was no equipment damage or any impact to production.

Reuters, 16:56 July 17, 2014

Flint Hills Reports Hydrocracker Unit Upset at Its 293,000 b/d Corpus Christi, Texas Refinery July 16

Flint Hills Resources reported flaring at its Corpus Christi West refinery due to an upset in the hydrocracker unit. Fence line air monitoring was performed and no emissions were detected, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 18:20 July 17, 2014

Update: Valero Restarts Hydrocracking Unit after Fire at Its 330,000 b/d Port Arthur, Texas Refinery

Valero Energy Corp. was restarting a 45,000 b/d hydrocracking unit (HCU) at its Port Arthur, Texas refinery on Thursday after the unit was idled by a fire on Tuesday, said sources familiar with operations at the refinery. The HCU was expected to be back to normal production within a week, the sources said. The fire broke out on the hydrocracker on Tuesday when a seal failed on a pump, releasing hydrocarbon liquid that ignited. The fire was quickly extinguished and there were no injuries.

Reuters, 15:26 July 17, 2014

Update: Phillips 66 Continues Working to Restart Its 44,500 b/d Santa Maria, California Upgrading Facility July 17 after Power Outage July 16

Phillips 66 said it was still working to restart its Santa Maria, California upgrading facility following a power outage on Wednesday.

Reuters, 12:29 July 17, 2014

Kansas City Southern Says Its Port Arthur, Texas Oil Rail Terminal to Start Up by Early 2017

Kansas City Southern expects a new joint-venture oil rail terminal in Port Arthur, Texas to start up in late 2016 or early 2017, a company executive said. The timeline reflects “permitting and construction uncertainties,” the executive vice president of sales and marketing said. Global Partners LP will build the terminal, which will be able to handle two 120-car trains per day of Canadian heavy crude oil. The waterborne terminal will serve initially as a destination for heavy crude from Western Canada utilizing 340,000 barrels of initial storage capacity.

<http://www.kcsouthern.com/en-us/Media/Pages/NewsReleases.aspx?release=767>

Reuters, 9:25 July 18, 2014

Natural Gas

Mistral Midstream Starts Construction of 60 MMcf/d NGL Facility, Pipeline in Saskatchewan

Mistral Midstream Inc. reported the start of construction on a 60 MMcf/d deep-cut gas processing and NGL extraction facility, a 65-mile ethane pipeline, and a 47-mile gas gathering pipeline near Midale, Saskatchewan. The company recently received the required regulatory and environmental approvals for the facility and pipelines, and was targeting a first-half 2015 in-service date. The cryogenic gas processing facility will be licensed for 7,500 b/d of specification ethane, specification propane, and other NGLs, and will recover 99 percent of the propane and heavier products from the gas, Mistral said. The facility will process gas originating from the TransGas system and from nearby sources operated by Crescent Point Resources Partnership. Ethane extracted from gas at the plant will be delivered via a 4-inch pipeline connection to the 40,000 b/d Vantage Pipeline near the U.S. border, which then connects with the Alberta Ethane Gathering system at Empress, Alberta.

<http://www.ogj.com/articles/2014/07/mistral-starts-construction-of-saskatchewan-ngl-plant-pipeline.html>

Targa Reports AGC Shut, Flaring at Its 150 MMcf/d Sand Hills Gas Plant in Texas July 16

Targa reported the acid gas compressor (AGC), C-14, shut due to compressor valves being bad. This routed gas to the emergency acid gas flare, F-4. Maintenance technicians replaced the malfunctioning valves and restarted the acid gas compressor, C-14. As soon as this was accomplished, flaring at the emergency acid gas flare, F-4, ceased.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=201117>

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
July 18, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	102.87	101.48	108.10
NATURAL GAS Henry Hub \$/Million Btu	4.03	4.11	3.66

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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