



ENERGY ASSURANCE DAILY

Tuesday Evening, December 09, 2014

Electricity

Duke Energy Receives Approval to Acquire, Construct Three Solar Facilities Totaling 128 MW in North Carolina

Duke Energy on Monday received regulatory approval from the North Carolina Utilities Commission (NCUC) to acquire and construct three large solar facilities totaling 128 MW of capacity in eastern North Carolina. The three projects are part of Duke Energy's \$500-million solar expansion announced in September, which also includes buying power under purchase power agreements from five other new solar projects in both the Duke Energy Carolinas and Duke Energy Progress service territories. The three acquired projects include the 65 MW Warsaw Solar Facility in Duplin County, the 40 MW Elm City Solar Facility in Wilson County, and the 23 MW Fayetteville Solar Facility in Bladen County. The projects will begin construction in early 2015, and are expected to be completed by the end of 2015.

<http://www.duke-energy.com/news/releases/2014120801.asp>

Dynegy's 335 MW El Segundo Gas-fired Unit 4 in California Shut by December 8

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201412081515.html>

Petroleum

North Dakota to Require Every Barrel of Crude Oil Be Filtered to Make Crude-by-Trail Transport Safer

North Dakota is set to impose a new rule requiring every barrel of crude produced in the state to be filtered for dangerous types of volatile gases in an effort to make crude-by-rail transport safer. Governor Jack Dalrymple and the two other members of the North Dakota Industrial Commission (NDIC) are taking the first concrete regulatory steps to filter the state's oil. The standards will require crude extracted from the state's shale formations – more than 1.1 million b/d – to be processed through machinery set at mandated temperatures and pressures, which the NDIC believes will remove the most amounts of propane, butane and other volatile natural gas liquids (NGLs) naturally found in oil. The goal would be to produce a barrel of North Dakota crude oil with vapor pressure of no more than 13.7 pounds per square inch (psi), similar to the 13.5 psi for most automobile gasoline. The updated standards would begin implementation by February.

http://www.downstreamtoday.com/news/article.aspx?a_id=45624

Update: Western Refining Says All Units Operational at Its 122,000 b/d El Paso, Texas Refinery December 9 after Power Outage December 6

Western Refining said on Tuesday all units were operational at its El Paso refinery in Texas. The company had to shut several units on the north side of the refinery on Saturday due to a power outage.

Reuters, 00:55 December 9, 2014

ExxonMobil Says Spill in Des Plaines River Minor, Not from Its 238,600 b/d Joliet, Illinois Refinery

ExxonMobil Corp said on Tuesday that the release of an unidentified substance from a vessel into the Des Plaines River in Illinois on Monday was minor and not related to its Joliet refinery operations. The company said Joliet refinery personnel discovered a petroleum sheen on the river adjacent to the refinery and cleaned it up.

Reuters, 8:13 December 9, 2014

Phillips 66 Files for Permit to Build Condensate Splitter at Its 247,000 b/d Sweeny, Texas Refinery

Phillips 66 is seeking a permit to build a condensate splitter at the company's refinery in Sweeny, Texas as the company considers the export of condensate, a super-light form of crude oil without violating a decades-old U.S. crude export ban. The permit application filed earlier this month with the Texas Commission on Environmental Quality identifies the project as a "simplified condensate splitter unit" and is a step in the company's ongoing study of the project. The splitter, as well as an Eagle Ford crude and condensate pipeline and a second 110,000 b/d fractionator at the refinery site "are currently in the engineering design and permitting phase," a spokesman said on Monday.

<http://finance.yahoo.com/news/phillips-files-permit-build-condensate-220925840.html>

Tesoro Logistics Announces Binding Open Season, Proposing Additional 50,000 b/d Expansion to Tesoro High Plains Pipeline System in North Dakota and Montana

Tesoro Logistics LP on Monday announced the launch of a binding open season, to assess shipper interest in firm priority capacity on the Tesoro High Plains Pipeline system (THPP), located in the Williston/Bakken basin region of North Dakota and Montana, to transport crude petroleum from various points south of Lake Sakakawea, including Tesoro's Johnson's Corner, Keene, and Alexander Stations (all within McKenzie County, North Dakota) to Ramberg Station, Williams County, North Dakota. The proposed THPP capacity expansion provides additional pipeline capacity of approximately 50,000 b/d from various points south of Lake Sakakawea to Ramberg Station, with an expected in-service date during the second quarter of 2016. This project, in addition to the previous open season successfully commissioned in 2014, would bring total capacity for shipments on THPP system to approximately 240,000 b/d. The project envisions pipeline origins on two legs of the THPP system, one of which originates at the Alexander Station. A minimum subscription of at least 15,000 b/d would be required for the Alexander origin shipments at higher tariffs than shipments from the other origin points, to reflect the higher level of capital investment for the Alexander line expansion. The expansion will provide much needed additional takeaway capacity from the high crude oil producing areas in McKenzie County, North Dakota to Tesoro Logistics' Bakken Area Storage Hub in Williams County, North Dakota where crude oil is distributed to key take-away pipelines and rail loading facilities. The pipelines include Enbridge North Dakota Pipeline and a potential connection to the proposed Dakota Access Pipeline. The in-service time frame is subject to THPP obtaining sufficient commitments from shippers as well as regulatory and internal approvals. The binding open season will end on January 22, 2015.

<http://www.tesorologistics.com/phoenix.zhtml?c=242247&p=irol-newsArticle&ID=1995894>

Natural Gas

Transco Says Unplanned Maintenance Repair Work on South Timbalier Block 300 in Gulf of Mexico to be Completed by Mid to Late December

On November 14, Transco gave guidance on the South Timbalier Block 300 platform of an internal leak on Transco's existing 24" shut down valve departing the platform. Transco had been advised that the replacement parts will arrive in late November. Transco said December 8 that it expects the repairs should be completed in mid to late December. Transco is requesting several meters in the Ship Shoal, South Timbalier, and Green Canyon blocks remain shut in until repairs are complete. Transco will provide updates as to the period of time the affected meters will be required to remain shut in.

<http://www.1line.williams.com/1Line/wgp/download?delvid=6177587&hfNoticeFlag=Y&hfDownloadFlag=false&hfFileName=download.html>

Reuters, 14:00 December 8, 2014

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
December 9, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	63.65	67.78	97.72
NATURAL GAS Henry Hub \$/Million Btu	3.50	3.91	4.15

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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