



ENERGY ASSURANCE DAILY

Thursday Evening, January 14, 2016

Major Development

Update: Colonial Restarts Its 1.2 Million b/d Line 1 January 14 after System Integrity Issue Related Shutdown January 13

Colonial Pipeline said its main gasoline pipeline, Line 1, resumed normal operations Thursday morning, according to a notice sent to shippers. Colonial shut the line along with its main distillate pipeline, the 1.16 million b/d Line 2, following reports of a system integrity issue on Tuesday. Line 2 was restarted immediately. Lines 1 and 2 run parallel to each other from Houston, Texas to Greensboro, North Carolina.
Reuters, 11:40 January 14, 2016

Electricity

Update: AES's 336 MW Alamitos Gas-fired Unit 4 in California Returns to Service by January 13

The unit returned from an unplanned outage that began on January 12.
<http://content.caiso.com/unitstatus/data/unitstatus201601131515.html>

NRC Announces Plans for Additional Inspections at Entergy's 688 MW Pilgrim Nuclear Power Station in Massachusetts January 11

The Nuclear Regulatory Commission (NRC) reported January 11 that it will be conducting a series of additional inspections at Entergy Corp's Pilgrim Nuclear Power Station in Plymouth, Massachusetts to review the plant's corrective action programs after the NRC downgraded the facility's safety rules to the lowest ranking.
<https://manometcurrent.com/nrc-announces-plans-additional-inspections-pilgrim-station/>

Petroleum

Continental Resources Oil Rig Catches Fire in Oklahoma January 13 – County Official

An oil rig operated by Continental Resources caught fire near Chickasha, Oklahoma on Wednesday afternoon, an official with the county Emergency Management Department said. The fire spread to at least 20 trucks carrying oil field equipment. There were no injuries as a result of the fire, and the blaze was contained, the official said. All lanes of State Highway 39 and County Road 2910 in Grady County were shut while crews battled the fire. Continental was doing a completion on the rig at the time of the fire, the county official said.
Reuters, 7:01 January 13, 2016

HollyFrontier Reports Emissions at Its 155,300 b/d Tulsa, Oklahoma Refinery January 6, 7, 9, 10

HollyFrontier reported excess hydrogen sulfide to the no. 2 alkylation flare on January 6 and 9 at its 85,000 b/d Tulsa West refinery. The company also reported excess carbon monoxide from the fluid catalytic cracking unit on January 7, and excess hydrogen sulfide to flares 1 and 2 on January 9 and 10 at its 70,300 b/d Tulsa East refinery.
Reuters, 4:00 January 13, 2016

Valero Reports Excess Opacity at Its 86,000 b/d Ardmore, Oklahoma Refinery January 6, 12

Valero Energy Corp reported excess opacity at its Ardmore, Oklahoma, refinery on January 6 and 12, according to a filing with the Oklahoma Department of Environmental Quality.

Reuters, 3:50 January 13, 2016

CVR Reports Emissions at Its 70,000 b/d Wynnewood, Oklahoma Refinery January 7

CVR Energy Inc reported excess hydrogen sulfide to the hydrocracker flare at its Wynnewood, Oklahoma, refinery on January 7.

Reuters, 3:58 January 13, 2016

ExxonMobil Working to Restart Operations at Its 59,000 b/d Billings, Montana Refinery January 14 after Power Outage January 13

ExxonMobil Corp said on Thursday it was working to restart operations at its Billings, Montana, refinery following a power outage on Wednesday afternoon. The company said area residents will see flaring as the restart process continues.

Reuters, 2:19 January 14, 2016

Chevron Reports Oil, Water Leak in California Oil Field January 13

Chevron Corp reported a release of water and oil from the ground possibly due to an old well line contact in a Lost Hills, California oil field, according to a filing with the California Emergency Management Agency. Chevron reported the release leaked from a pipeline and occurred at an active oil field

Reuters, 9:00 January 13, 2016

Shell Says Small Sheen Detected on Talfourd Creek in Ontario January 14

Shell Canada said its personnel detected a small sheen on Talfourd creek in Sarnia, Ontario on Thursday morning. The company said there was no sign of the sheen reaching the creek's outfall near the St. Clair River. Shell operates a 75,000 b/d oil refinery in Sarnia, Ontario.

Reuters, 11:11 January 14, 2016

Natural Gas

DCP Midstream Reports Turbine Shut at Its 160 MMcf/d Goldsmith Gas Plant in Texas January 13

DCP Midstream reported that during normal operations, turbine B inadvertently shut due to a raw gas vibration shutdown, causing a flare event. Turbine technicians inspected turbine B for indications of damage, and once the turbine was determined safe for operation, it was back online and the flare event ended.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=225940>

Cheniere Delays First LNG Export from Its Sabine Pass Project in Louisiana to Late February or March

Cheniere Energy Partners, L.P. announced today that it expects to export the first liquefied natural gas (LNG) commissioning cargo from its Sabine Pass liquefaction project located in Cameron Parish, Louisiana in late February or March 2016. The first commissioning cargo was initially expected to occur by late January.

Construction for Train 1 was completed ahead of schedule however, instrumentation issues were discovered during the final phases of plant commissioning and cool down that will require some additional work over the next few weeks. The Sabine Pass LNG terminal includes existing infrastructure of five LNG storage tanks with capacity of approximately 16.9 billion cubic feet equivalent (Bcfe), two docks that can accommodate vessels with nominal capacity of up to 266,000 cubic meters and vaporizers with regasification capacity of approximately 4.0 Bcf/d.

<http://phx.corporate-ir.net/frame.zhtml?c=101667&p=irol-newsArticle&ID=2129209>

Destin Pipeline Says Work Underway at Its Pascagoula, Mississippi Beach Valve Site January 14

Destin Pipeline Co on Wednesday announced maintenance at its beach valve site in Pascagoula, Mississippi to remove an obstruction causing abnormal pigging operations on its 36-inch offshore segment. The maintenance is expected to be completed by Friday, Destin said. The work was not expected to affect offshore transportation services from any receipt points, the company added. The 225-mile Destin gas pipeline system can carry 1.2 Bcf/d from offshore Gulf of Mexico to the Pascagoula plant and then north to interconnections with six major interstate gas lines.

<http://www.destin-pipeline.com/>

Reuters, 3:07 January 14, 2016

Natural Gas Explosion Reported in Michigan Park January 14

Authorities reported a gas leak led to an explosion in the public bathroom at John D. Dingell Park in Ecorse, Michigan on Thursday morning. DTE and Ecorse police said there were no injuries reported and the cause of the explosions remained under investigating. Two businesses and approximately 200 residents in nearby homes were evacuated as a precaution, according to police.

http://www.mlive.com/news/detroit/index.ssf/2016/01/bathroom_explodes_at_park_in_e.html

<http://www.wxyz.com/news/gas-leak-in-ecorse-causes-small-explosion>

Other News

Nothing to report.

International News

NOC Reports Major Oil Pipeline Hit by Explosion South of Libya's Ras Lanuf January 13

An explosion hit a major oil pipeline, which has been closed for more than two years, south of the Libyan terminal of Ras Lanuf overnight between Wednesday and Thursday, a spokesman for Libya's National Oil Corp (NOC) said. An oil official based in eastern Libya said the blast was a result of sabotage and said oil workers were trying to isolate the pipeline and contain the damage. Last week, Islamic State militants attacked Ras Lanuf and the nearby terminal of Es Sider, which have been closed since December 2014. The NOC said on Thursday it had sent a tanker to remove oil from Ras Lanuf in an effort to limit the risk of more fires, but guards at the port blocked their access. Reuters, 1:58 January 14, 2016

Venezuela Begins Restart of Its 955,000 b/d Paraguana Refinery Complex January after Blackout January 13

Venezuelan state oil company PDVSA said on Wednesday it had begun restarting operations at its 955,000 b/d Paraguana refinery complex following a blackout. Employees at the 645,000 b/d Amuay refinery and adjacent 310,000 b/d Cardon refinery were evacuated as a precaution, one refinery worker said earlier on Wednesday. PDVSA said it restored power and proceeded to restore industrial services (water, steam, air) to both refining complexes, with which it began the process of safely restarting the installations. The company said the problem was the result of a blackout at Cardon.

Reuters, 10:15 January 13, 2016

Iraqi Kurds to Start Gas Exports to Turkey in 2016

Iraq's Kurds will start building their first natural gas pipeline in February to export the fuel to Turkey, a project that would bring the self-governed region closer to economic independence. The link will transport gas from the Khor Mor and Chamchamal fields in northern Iraq's Kurdish enclave, first to Turkey and later to Europe, an economic adviser to the Kurdistan Regional Government (KRG) said. The KRG will begin shipping 10 billion cubic meters a year by the end of 2016 and double the volume to 20 billion by 2020.

http://www.downstreamtoday.com/news/article.aspx?a_id=50629

Lithuania Puts Plans to Import LNG from U.S. on Hold

Lithuania put plans to buy liquefied natural gas (LNG) from the U.S. on hold because the LNG is not yet suitable for the Baltic state's gas system, its state energy company said on Wednesday. Lithuania's system was built to use Russian gas and state energy group Lietuvos Energija said U.S. LNG was much more calorific than Russian gas. Litgas, the LNG import arm of Lietuvos Energija, has been negotiating LNG deliveries from Cheniere Energy's Sabine Pass export plant in Louisiana.

http://www.downstreamtoday.com/news/article.aspx?a_id=50640

Energy Prices

U.S. Oil and Gas Prices			
January 14, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	31.17	33.24	48.44
NATURAL GAS Henry Hub \$/Million Btu	2.31	2.35	2.89

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

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 p.m. ET. 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