



ENERGY ASSURANCE DAILY

Wednesday Evening, January 20, 2016

Electricity

RRI Energy's 130 MW Mandalay Gas-fired Unit 3 in California Shut by January 19

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201601191515.html>

Calpine's 880 MW Delta Gas-fired Unit in California Reduced by January 19

The unit entered an unplanned curtailment of 100 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201601191515.html>

RES Announces Sale of 198 MW Bluestem Wind Project in Oklahoma to Exelon Generation January 20

Renewable Energy Systems (RES) on Wednesday announced the sale of the Bluestem Wind Project to Exelon Generation. RES developed the project and is the engineering, procurement, and construction contractor. The 198 MW project will consist of 60 Vestas 3.3 MW V117 wind turbine generators and will be located in Beaver County, Oklahoma. Construction is scheduled to be completed at the end of 2016.

<http://www.res-americas.com/en/news-events/press-releases/current/res-announces-sale-of-the-bluestem-wind-project-to-exelon-generation>

Petroleum

BP's 413,500 b/d Whiting, Indiana Refinery Back to Normal after HTU Upset – Sources

BP Plc's Whiting, Indiana, refinery returned to normal operations by late Wednesday morning following a malfunction on a diesel hydrotreating unit (HTU), sources familiar with plant operations said. The upset had a minor impact on production at the refinery, the sources said. They did not identify which of two hydrotreaters removing sulfur from distillates had the malfunction. The two hydrotreaters are of similar size, with a 36,000 b/d HTU used in ultra-low-sulfur diesel production and a 40,000 b/d HTU used for distillate production.

Reuters, 2:31 January 20, 2016

Update: Marathon Continues Attempting to Restart Crude Unit at Its 212,000 b/d Catlettsburg, Kentucky Refinery January 20 – Source

Marathon Petroleum was still attempting to restart a 86,000 b/d crude unit and associated vacuum distillation unit Wednesday morning at its Catlettsburg, Kentucky, refinery after the units were shut down on Monday due to cold weather, according to a source familiar with the plant's operations. The crude unit was initially expected to be restarted within 48 hours, but persistent cold weather has delayed the process, the source said.

Reuters, 10:05 January 20, 2016

ExxonMobil Reports Equipment Malfunction at Its 238,000 b/d Joliet, Illinois Refinery January 20

ExxonMobil Corp reported an equipment malfunction at its Joliet, Illinois refinery, according to a filing with the Illinois Emergency Management Agency.

Reuters, 4:09 January 20, 2016

Marathon Reports Equipment Failure at Its 210,000 b/d Robinson, Illinois Refinery January 20

Marathon Petroleum Corp reported an equipment failure at its Robinson, Illinois refinery, according to a filing with the Illinois Emergency Management Agency.
Reuters, 4:14 January 20, 2016

ExxonMobil Reports Flaring at Its 344,600 b/d Beaumont, Texas Refinery January 19

ExxonMobil Corp reported operations at its Beaumont, Texas refinery required flaring, according to a community information line.
Reuters, 10:59 January 19, 2016

Tesoro Reports Minor Spill at Its Los Angeles, California Facility January 19

Tesoro Corp said its Los Angeles, California facility experienced a minor hydrocarbon spill to land from a storage tank. The company said the spill was not expected to impact refinery operations. Tesoro operates a 257,300 b/d refinery in Carson and a 104,500 b/d refinery in Wilmington.
Reuters, 6:22 January 19, 2016

Valero Reports Emissions at Its 205,000 b/d Corpus Christi East, Texas Refinery January 19

Valero reported a leak was discovered at the complex 7 main cooling tower resulting in emissions at its Corpus Christi East, Texas refinery, according to a filing with the Texas Commission on Environmental Quality.
Reuters, 5:39 January 19, 2016

North Dakota Regulators Approve 600,000 b/d Dakota Access Pipeline January 20

The North Dakota Public Service Commission (PSC) today approved a siting permit for the Dakota Access Pipeline, which will carry crude oil across Mountrail, Williams, McKenzie, Dunn, Mercer, Morton and Emmons Counties in North Dakota. Dakota Access, LLC, is planning to construct and operate the Dakota Access Pipeline. The capacity of the pipeline varies from start to end with 100,000 b/d between the Stanley Tank Terminal and the Ramberg Tank Terminal, increasing incrementally up to 600,000 b/d between the Watford City Tank Terminal and the South Dakota border. Six tank terminals are planned along the route: at the starting point near Stanley, near Tioga, near Epping, near Trenton, near Watford City, and near Johnson's Corner. Other above-ground facilities will include approximately 59 block valves and in-line inspection tool launch and receiver sites. The entire pipeline will run approximately 1,154 miles beginning from the Bakken/Three Forks play in North Dakota, through portions of South Dakota and Iowa, and ending in Patoka, Illinois. The North Dakota portion consists of approximately 358 miles of crude oil pipeline that increases in diameter incrementally from 12 inches to 20, 24, and ultimately 30 inches.
<http://psc.nd.gov/public/newsroom/2016/1-20-16DakotaAccessApproval.pdf>

Anadarko Achieves First Oil at Its Heidelberg Field in Gulf of Mexico January 14

Anadarko Petroleum Corp. on January 14 said it launched oil production from the first three wells at its Heidelberg field, located at Green Canyon Block 859, in the U.S. Gulf of Mexico. Located 140 miles southwest of Port Fourchon, Louisiana, and 390 miles southeast of Corpus Christi, Texas, Heidelberg is estimated to hold between 200 and 400 million barrels of estimated recoverable resources. Heidelberg can produce 80,000 b/d of oil and 80 MMcf/d of natural gas. It can operate in a water depth of 5,300 feet. The spar, which is 110 feet in diameter, 605 feet in length, has a topside operating weight of 16,000 tons, and a hull weight of 23,000 tons, can operate in 5,300 feet of water. In addition to the spar, the Heidelberg development will include six production wells, two drill centers, and dual looped 8-inch flowlines. Additionally, 35 miles of new 20-inch oil export pipeline and 9 miles of new 16-inch gas export pipeline was installed. Oil from Heidelberg will be sent to Port Arthur, Texas; gas from Heidelberg will be sent to the Larose gas processing plant in Port Fourchon, Louisiana.
http://www.rigzone.com/news/oil_gas/a/142564/Anadarko_Achieves_First_Oil_at_Heidelberg#sthash.dfy32uZd.dpuf
<http://www.anadarko.com/News/Flash-Feed/Heidelberg-First-Oil/>

Natural Gas

DCP Midstream Reports Turbine Shut at Its 160 MMcf/d Goldsmith Gas Plant in Texas January 19

DCP Midstream reported turbine B shut on high vibration on the raw gas compressor. Turbine B was immediately restarted but was subsequently taken down for compressor vibration repair.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=226160>

Other News

Tesoro Launches Plan to Support Development of Renewable Biocrude for Its Refineries

Tesoro Corporation today announced its plan to foster the development of biocrude made from renewable biomass, which can be co-processed in its existing refineries, along with traditional crude oil. Converting renewable biomass into biocrude is expected to enable existing refining assets to produce less carbon-intensive fuels at a significantly lower capital and operating cost than competing technologies. This approach could lower Tesoro's compliance costs with the federal renewable fuel standard and California's low carbon fuel standard by generating credits, while producing less carbon-intensive fuels which are fully compatible with the nation's existing fuel infrastructure as well as current vehicle fleet warranties. In order to support the development of biocrude, Tesoro is working collaboratively with several renewable energy companies to advance biomass-to-fuels technology. Fulcrum BioEnergy, Inc plans to supply biocrude produced from municipal solid waste to Tesoro Refining & Marketing Company LLC (TRMC) to process as a feedstock at its 166,000 b/d Martinez, California refinery. An estimated 800 b/d of biocrude will be produced at Fulcrum's Sierra BioFuels Plant in Reno, Nevada, which is expected to be operational in early 2018. Virent Inc and Tesoro are working to establish a strategic relationship to support scale-up and commercialization of Virent's BioForming technology which produces low-carbon, biofuel and chemicals. Ensyn Corporation has applied for a pathway with the California Air Resources Board to co-process its biocrude produced from tree residue—called Renewable Fuel Oil—in TRMC's California refineries.
Reuters, 8:16 January 20, 2016

International News

Update: Eni Lifts Force Majeure on Nigeria LNG Exports January 12

Eni lifted force majeure on gas supplies to Nigeria's liquefied natural gas (LNG) export plant on January 12 following sabotage on a pipeline last month, a spokesman said. Eni initially declared force majeure on the pipeline on December 16, causing limited disruption to loading schedules and exports. However, a source added that exports from the plant are not yet back to normal and there is still some disruption. Nigeria LNG's export plant at Bonny Island can produce 22 million metric tonnes of LNG a year and has long-term supply contracts with buyers in Italy, Spain, Turkey, Portugal, and France.

Reuters, 10:01 January 20, 2016

Energy Prices

U.S. Oil and Gas Prices			
January 20, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	26.63	30.37	49.95
\$/Barrel			
NATURAL GAS			
Henry Hub	2.22	2.38	3.09
\$/Million Btu			

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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