



ENERGY ASSURANCE DAILY

Thursday Evening, February 11, 2016

Electricity

Update: New Testing at Entergy's 2,069 MW Indian Point Nuclear Power Plant Reveals Tritium Contamination Levels 74,000 Percent Higher Than EPA Limit February 11

New testing showed that the amount of tritium in the groundwater below Entergy's Indian Point power plant in Buchanan, New York, is about 740 times the amount allowed in drinking water, despite an Entergy press release on Wednesday claiming no public health risks from the leak. Entergy said later on Wednesday that the latest samples from monitoring wells found tritium at a level of 14.8 million picocuries per liter—74,000 percent higher than the U.S. Environmental Protection Agency's limit of 20,000 picocuries per liter. An Entergy spokesman said the radioactive water probably leaked during a recent operation to prepare for a planned refueling outage, which takes place every two years, but the company was still investigating the specific cause. The spokesman added that the company also detected elevated levels of antimony at about 5,500 picocuries per liter. Antimony is an element used as a startup neutron source for the stable and reliable initiation of nuclear reactors, especially after a reactor is refueled. Federal regulators continue investigating the spill and the Nuclear Regulatory Commission (NRC) was sending a radiation specialist to the site.

Reuters, 18:46 February 10, 2016

<http://www.energynewsroom.com/latest-news/entergy-update-tritium-indian-point-fluctuations-no-threat-public-health-safety/>

Update: TVA's 1,126 MW Sequoyah Nuclear Unit 2 in Tennessee at Full Power by February 11

On the morning of February 10 the unit was operating at 50 percent, reduced from full power on February 4.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

BHE Renewables' 310 MW Solar Star Unit 1 in California Reduced by February 10

The unit entered an unplanned curtailment of 150 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201602101515.html>

ISO New England Secures Power at Lower Cost for 2019–2020

ISO New England, the power grid operator for the six New England states, announced on Thursday that it had secured enough power in its annual capacity auction to meet demand in 2019–2020, at a lower price than last year. The independent system operator secured more than 1,400 MW of new generating capacity that will help replace retired capacity. Recent and pending retirements of coal, oil, and nuclear power plants total to more than 4,200 MW, including Entergy Corp's 680 MW Pilgrim nuclear plant in Massachusetts. The clearing price was \$7.03/kw-month for 2019–2020, more than 25 percent lower than the \$9.55/kw-month for 2018–2019. Three large new dual-fuel power plants cleared the auction, including the 485 MW Burrillville 3 in Rhode Island, Public Service Enterprise Group Inc's 484 MW Bridgeport Harbor 6 in Connecticut, and NRG Energy Inc's 333MW Canal 3 in Massachusetts.

http://www.iso-ne.com/static-assets/documents/2016/02/20160211_fca10_initialresults_final.pdf

Sundevil Holdings Files for Bankruptcy February 11; Operates Two 536 MW Gas-Fire Power Plants in Arizona

Sundevil Holdings LLC, which operates two 536 MW gas-fired power plants at Entegra's 2,200 MW Gila Bend, Arizona generation station filed for U.S. Chapter 11 bankruptcy on Thursday, according to court documents. The operator said it would seek court approval to borrow \$45 million to support its operations during its bankruptcy.

Reuters, 9:48 February 11, 2016

<http://wayzatainvestmentpartners.com/select-investments/>

<http://entegrapower.com/Gila.htm>

Entergy Could Face Civil Penalty after NRC Finds Former Employee Skipped More Than 200 Fire Watches at Entergy's 680 MW Pilgrim Nuclear Power Plant in Massachusetts

Entergy faces possible punishment from the Nuclear Regulatory Commission (NRC) after a former security officer admitted to skipping his hourly fire watches at its Pilgrim nuclear power plant, and falsifying records to make it appear as if they been completed. In a letter to Entergy, the NRC said its investigators found the security officer skipped more than 200 fire watches from 2012 to 2014. Entergy said its own investigation reached a similar conclusion resulting in the termination of that employee. An NRC spokesman said that Entergy could be assessed a civil fine of up to \$140,000 per day per violation, but at this point a civil penalty will likely not be assessed. The Pilgrim plant has been scheduled to close by 2019.

Reuters, 13:24 February 11, 2016

Petroleum

Monroe Energy Cuts Production By 10 Percent at Its 185,000 b/d Trainer, Pennsylvania Refinery February 10 – Sources

Delta Air Lines' Monroe Energy refinery in Trainer, Pennsylvania cut output by 10 percent due to economic reasons, said sources familiar with the plant's operations on Wednesday.

<http://www.reuters.com/article/us-usa-oil-phillips-idUSKCN0VK02Y>

PBF Cuts Production By 16 Percent at Its 180,000 b/d Toledo, Ohio Refinery Due to Weak Profit Margins – CEO

PBF Energy cut production rates by about 16 percent at its refinery in Toledo, Ohio due to weak profit margins, the CEO said on Thursday. The refinery is currently running at 150,000 b/d and has scaled back operations in the gasoline-making unit and hydrocracker. This follows news that Monroe Energy's 185,000 b/d Trainer, Pennsylvania refinery and Valero's 180,000 b/d Memphis, Tennessee refinery have cut output due to unfavorable economic conditions. The company said it expects the run cuts will be short-lived and margins to improve as refiners come out of the winter season.

Reuters, 9:30 February 11, 2016

Valero Reports Excess Opacity at Its 86,000 b/d Ardmore, Oklahoma Refinery February 4, 8

Valero Energy Corp reported excess opacity on February 4 and 8 at its Ardmore, Oklahoma, refinery, according to a filing with the Oklahoma Department of Environmental Quality.

Reuters, 10:51 February 11, 2016

CVR Reports Malfunction at Its 70,000 b/d Wynnewood, Oklahoma Refinery February 8

CVR Energy Inc reported a malfunction and excess hydrogen sulfide to the hydrocracker flare at its Wynnewood, Oklahoma refinery, according to a filing with the Oklahoma Department of Environmental Quality.

Reuters, 10:55 February 11, 2016

ExxonMobil Reports Sulfur Unit Upset at Its 344,600 b/d Beaumont, Texas Refinery February 11

ExxonMobil reported a sulfur plant unit upset led to flaring at its Beaumont, Texas, refinery, according to a filing with the Texas Commission on Environmental Quality. The company said normal operations resumed and no impact to production was anticipated.

Reuters, 11:25 February 11, 2016

Alon Reports Unit Shut at Its 70,000 b/d Big Spring, Texas Refinery February 10

Alon USA Energy said sulfur dioxide emissions reached a reportable limit as a result of the off-gas compressor (OGC) shutting down from high vibration at its Big Spring, Texas, refinery, according to a filing with the Texas Commission on Environmental Quality. As a result, operations worked to reduce emissions by decreasing rates at the 22,750 b/d diesel hydrotreater.

Reuters, 17:23 February 10, 2016

Total Says Operations Normal at Its 225,000 b/d Port Arthur, Texas Refinery February 10

Total SA said its Port Arthur, Texas refinery had no issues to report and was operating normally. A brief malfunction on the larger of two crude distillation units on Wednesday had no lasting impact on production, sources familiar with plant operations said.

Reuters, 16:13 February 10, 2016

Medallion Launches Open Season for Its 45,000 b/d Howard Lateral Expansion Project in Texas February 9

Medallion Pipeline Company, LLC, a subsidiary of Medallion Midstream LLC, on Tuesday announced a binding open season which solicits long-term commitments from shippers for firm transportation capacity on the third major expansion of Medallion's existing crude oil pipeline system. The Howard Lateral is a proposed 45,000 b/d bi-directional crude oil pipeline, which will extend southeast from multiple origin points in Howard County, Texas southeast to a new point of interconnection on Medallion's Wolfcamp Connector mainline system in Glasscock County, Texas. An integral part of the overall project is the proposed 30,000 b/d expansion of Medallion's existing Wolfcamp Connector mainline system, which originates at the Garden City Station in Glasscock County, extending north to the Colorado City hub in Scurry County, Texas. The expansion projects are expected to commence full commercial operations in the second quarter of 2016, although certain segments may commence service on an interim basis at an earlier date.

<http://www.medallionmidstream.com/open-season1>

http://www.downstreamtoday.com/news/article.aspx?a_id=51029

Natural Gas

Transco to Reduce Operating Capacity on Its Leidy Line in Pennsylvania February 13, 14

Williams Cos Inc's Transcontinental Gas Pipeline Co (Transco) said it will be reducing the operating capacity on its Leidy line by 200 MMcf/d for Saturday, February 13, and Sunday, February 14. The company said it will reduce primary firm transportation services west to east through Station 515, in Lycoming County, Pennsylvania, due to very high system utilization forecasted for most of market area over next several days. On June 11, 2015, Transco provided notice of a force majeure event due to a pipeline failure in Lycoming County. Subsequently, Transco provided additional notices reflecting current restoration activities and associated operating limitations on segments of its Leidy system and the potential impact those operating limitations may have on its ability to provide primary firm and non-primary firm transportation services on the Leidy system.

Reuters, 10:47 February 11, 2016

Dominion Issues Operational Flow Order for Its Ohio Delivery System February 12

Dominion Transmission, Inc. (DTI) on Thursday issued an operational flow order for its Ohio delivery system due to forecasted weather conditions.

https://escript.dom.com/jsp/info_post.jsp?&company=dti#

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas February 9

Regency reported the acid gas injector (AGI) compressor shut on low first stage suction. The unit shut past the set point suggesting a possible error with the pressure transmitter. The AGI unit was restarted and the valve position and instrument air system were checked.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=227477>

Williams Partners' Gulf Project Will Retrofit Portion of Transco System to Serve Two LNG Export Facilities in Gulf Coast Texas February 10

Williams Partners L.P. on Wednesday announced it executed long-term contracts with two shippers for its Gulf Connector: a 475 MMcf/d expansion of the Transco pipeline system to connect U.S. natural gas supplies with global liquefied natural gas (LNG) markets. The Gulf Connector project will deliver gas for Cheniere Energy's Corpus Christi liquefaction project and Freeport LNG Development's liquefaction project, both of which are currently under construction. Pending appropriate regulatory approvals, the project involves adding compression and bi-directional flow capability on a portion of the Transco system between Louisiana and south Texas.

<http://investor.williams.com/press-release/williams/williams-partners-executes-agreements-serve-two-gulf-coast-lng-export-facilit>

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
February 11, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	26.14	32.24	48.75
NATURAL GAS Henry Hub \$/Million Btu	2.13	2.04	2.63

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