



ENERGY ASSURANCE DAILY

Monday Evening, February 24, 2014

Electricity

Exelon's 1,122 MW Peach Bottom Unit 3 in Pennsylvania Reduced to 22 Percent Power for Repair February 24

Exelon Corp. said unit 3 at its Peach Bottom nuclear power plant in Pennsylvania was reduced to 22 percent capacity on Monday to repair an electrical component in the switch yard. The company did not say when the reactor would be back at planned rates.

Reuters, 9:51 February 24, 2014

Update: Exelon's 802 MW Three Mile Island Nuclear Unit 1 in Pennsylvania at Full Power by February 22

By the morning of February 21 the unit had ramped up to 70 percent from 58 percent on February 18.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

Entergy's 510 MW Vermont Yankee Nuclear Unit in Vermont Reduced to 43 Percent by February 24

On the morning of February 23 the unit was operating at 85 percent, down from full power on February 21.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

Petroleum

Oil Spill Shuts Lower Mississippi River Near New Orleans, Louisiana February 22; River Opens With Restrictions February 24

The U.S. Coast Guard said a 65-mile stretch of the Mississippi River near New Orleans, Louisiana, reopened with restrictions on Monday afternoon after two vessels collided and caused an oil spill on Saturday. The Coast Guard received a report from the National Response Center at approximately 3:30 p.m. CST on February 22 a towing vessel, Lindsay Ann Erickson, collided with the E2MS 303 tank barge near mile marker 154 as it transited along the river near Vacherie, Louisiana. The collision damaged the barge which caused a release of 750 barrels of light crude oil into the Mississippi River. Lightering operations on the damaged barge concluded early Sunday morning and the source of the spill was secured. Oil spill response vessels and recovery equipment were deployed in the river. The Captain of the Port closed the river from mile marker 90 to mile maker 155 to avoid possible contamination of passing vessels and to reduce the amount of oil spreading further down the river.

<https://www.piersystem.com/go/doc/4007/2105962/Coast-Guard-responds-to-barge-collision-on-lower-Mississippi-River>

<https://www.piersystem.com/go/doc/4007/2106454/Update-3-Coast-Guard-responds-to-barge-collision-on-lower-Mississippi-River>

Freight Railroads, U.S. DOT Announce Industry Crude Oil by Rail Safety Initiative

The nation's major freight railroads on Friday joined U.S. Transportation Secretary Anthony Foxx in announcing a rail operations safety initiative that will institute new voluntary operating practices for moving crude oil by rail. The announcement follows consultations between railroads represented by the Association of American Railroads and the Department of Transportation, including the leadership of the Federal Railroad Administration and the Pipeline and Hazardous Materials Safety Administration. The announcement covers steps related to crude by rail operations. Additional issues relating to the safe transport of crude oil, such as tank car standards and proper shipper classification of crude oil, are being addressed separately. Under the industry's voluntary efforts railroads will increase track inspections, improve braking systems, begin use of rail traffic routing technology, lower speeds, improve community relations, increase trackside safety technology, increase emergency response training and tuition assistance, and work on emergency response capability.

https://www.aar.org/newsandevents/Press-Releases/Pages/Freight-Railroads-Join-U-S-Transportation-Secretary-Foxx-in-Announcing-Industry-Crude-By-Rail-Safety-Initiative.aspx#.UwuM_lW5g

Citgo Extinguishes Platformer Fire at Its 163,000 b/d Corpus Christi, Texas Refinery February 20

Citgo Petroleum Corp. extinguished the second fire in one week at its Corpus Christi, Texas, refinery, on Thursday night, the company said on Friday. Sources familiar with operations at the refinery said the fire occurred in the catalytic reforming unit called a platformer, which was shut as part of a planned month-long, multi-unit overhaul under way at the refinery. There was also a fire in a crude distillation unit (CDU) on Wednesday in the Citgo Corpus Christi refinery's east plant. That CDU was also shut for the overhaul. Thursday's fire may have started because residual substances within the platformer can ignite when mixed with oxygen, the sources said. The unit was opened to the atmosphere in preparation for entry by workers who will refurbish key components.

Reuters, 14:04 February 21, 2014

Flint Hills Isolates SRU Leak at Its 289,097 b/d Corpus Christi , Texas Refinery February 21

Flint Hills Resources isolated a leak on sulfur recovery unit (SRU) no. 3 in the west plant of its Corpus Christi, Texas, refinery on Friday, according to a notice filed with the Texas Commission on Environmental Quality. The leak of hydrogen sulfide and ammonia was found on a pipe coming from the SRU's sour water knockout drum, according to the notice.

Reuters, 17:36 February 23, 2014

Imperial Oil Says Minor Process Unit Issue Fixed at Its 121,000 b/d Sarnia, Ontario Refinery February 24

Imperial Oil Ltd said it fixed a minor incident on a process unit at its refinery in Sarnia, Ontario. There was no effect on production, a company spokesperson said. Earlier, Imperial Oil had reported it was responding to an unspecified incident at the refinery at Sarnia, according to a message posted on a community information line on Saturday.

Reuters, 10:48 February 24, 2014

BP Starts Up Na Kika Phase 3 Oil Production in Deepwater Gulf of Mexico February 19

BP today announced the start-up of Na Kika Phase 3. The first Na Kika Phase 3 well began oil production on February 19, with a second well expected to start up in the second quarter. The project includes the drilling and completion of the two new wells, the addition of subsea infrastructure to tieback to the Na Kika platform and new equipment to allow increased production from an existing well at the site. It will utilize available production capacity at the Na Kika hub. The Na Kika semi-submersible platform is located about 140 miles southeast of New Orleans in over 6,000 feet of water. The full Na Kika Phase 3 project has a gross capacity of 40,000 barrels of oil equivalent per day (boe/d). Total production capacity of Na Kika is 130,000 boe/d.

<http://www.bp.com/en/global/corporate/press/press-releases/new-start-up-in-gulf-of-mexico.html>

<http://www.platts.com/latest-news/oil/newyork/bp-starts-up-us-gulf-deepwater-na-kika-phase-21258732>

Natural Gas

Natural Gas Futures Jump to 5-year High February 24 on Cold Weather Forecast

Natural gas for March delivery gained as much as 5.8 percent to \$6.493 per MMBtu in electronic trading on the New York Mercantile Exchange early on January 24, the highest intraday price since December 2, 2008, as forecasters warned of more cold weather in the U.S.

<http://washpost.bloomberg.com/Story?docId=1376-N1HBSZ6JTSEF01-7MQB6TCM4K53BAAM6R9K7DR285>

Update: Chevron Appalachia's Lanco 7H Well in Pennsylvania Capped February 23

On Sunday, Wild Well Control (WWC) successfully capped Lanco well 7H, stopping gas flow from the well. The next step of the process was for WWC to conduct similar procedures on well 6H. After that, WWC will assess the integrity of the 8H well and complete any necessary repairs to secure the well. Part of the plan might involve flaring of the gas. February 11, a fire was reported on Chevron Appalachia's Lanco 7H well pad in Dunkard Township, Pennsylvania. An adjacent well on the pad, 6H, began burning on February 14, after sustaining damage from the heat of the fire from the initial well. The two wells were no longer burning as of February 15.

http://www.chevron.com/news/mediareources/article/08042010_updates.news

PG&E Reports Progress in Improvements to Its Gas Pipeline System in California

PG&E said Thursday it was continuing to make progress in an upgrade of its natural gas pipeline system following the 2010 explosion in San Bruno, California, that killed eight people and destroyed 38 homes. The upgrades are part of the Pipeline Safety Enhancement Program that PG&E has undertaken in the wake of the explosion. In 2013, the utility replaced 64 miles of natural gas pipelines, up 60 percent from the 40 miles of pipeline it replaced during 2012. The company also automated 75 gas valves, up 63 percent from 2012.

http://www.insidebayarea.com/news/ci_25194265/pg-e-reports-progress-improving-gas-pipeline-system

Southern Union Reports Flaring, Unit Down at Its Keystone Gas Plant in Texas February 22

Southern Union reported it had to flare low pressure gas at its Keystone gas plant due to unit no. 24 being taken down to change out valves and to do a hot alignment. Once the valves were replaced and the hot alignment was complete, the unit was put back online.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=194580>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=194576>

Enbridge Reports AGI Trip at Its Tilden Gas Plant in Texas February 22

Enbridge reported acid gas injector (AGI) no. 3 tripped on high motor temperature due to air compressor problems associated with the air mover on the motor. WK gas was curtailed to reduce flaring during the event. Plant personnel switched to the back-up air compressor and AGI no. 3 was restarted and stabilized.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=194575>

Other News

Nothing to report.

International News

Libya's Oil Production Falls to 230,000 b/d After El Sharara Field Shut by Protests

Libya's oil production fell to 230,000 b/d due to the closure on Thursday of the 340,000 b/d El Sharara field following protests, state-owned National Oil Corp (NOC) said on Sunday. It has been repeatedly shut down by protesters as a way to pressure the weak central government into political and financial demands. Production stood at around 1.4 million b/d until the middle of 2013 when the protests began to break out at the country's major ports in the east.

Reuters, 8:15 February 23, 2014

Colombia's 167-mile Bicentenario Pipeline Undamaged in Bomb Attacks February 21

Colombia's Bicentenario oil pipeline was undamaged by two explosions about 31 miles apart, an industry source told Reuters on Friday. Colombia's armed forces secured the affected stretches of the pipeline in the municipalities of Fortul and Tame in the eastern Arauca province near the border with Venezuela, to enable the company's workers to carry out an inspection. No oil spillage or pressure drop had been detected, the source said. The pipeline's first phase finished construction last November and interconnects with Cano Limon pipeline to reach the Atlantic coast. State-run oil company Ecopetrol and Pacific Rubiales own the majority of the pipeline.

http://www.downstreamtoday.com/news/article.aspx?a_id=42373

Energy Prices

U.S. Oil and Gas Prices			
February 24, 2014			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	103.17	99.48	92.93
NATURAL GAS Henry Hub \$/Million Btu	6.21	5.32	3.28

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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