



ENERGY ASSURANCE DAILY

Monday Evening, February 25, 2013

Electricity

AEP to Retire 2,011 MW of Coal-Fired Capacity at Power Plants in Indiana, Ohio, and Kentucky by 2015

A coalition of citizen groups, eight states, and the U.S. Environmental Protection Agency (EPA) on Monday announced a settlement agreement with American Electric Power Co. (AEP) requiring AEP to stop burning coal at its 580 MW Tanners Creek Unit 4 in Indiana, its 615 MW Muskingum River Unit 5 in Ohio, and its 816 MW Big Sandy Unit 2 in Kentucky by 2015. AEP also agreed to replace a portion of these coal plants with new wind and solar investments in Indiana and Michigan, and to install pollution control equipment on the two 1,300 MW coal-fired units at the Rockport plant in Indiana. AEP will also be required to either retire the two Rockport units in 2025 and 2028, respectively, or to install additional controls designed to achieve removal of at least 98 percent of the sulfur dioxide created by the burning of coal at those units. Today's settlement comes in a lawsuit originally filed in a federal court in Ohio in 1999, and is a modification to a prior 2007 settlement.

Reuters, 11:41 February 25, 2013

<http://content.sierraclub.org/press-releases/2013/02/major-victory-clean-air-and-climate-aep-agrees-retire-3-coal-plants>

TVA Shuts 1,126 MW Sequoyah Nuclear Unit 2 in Tennessee Due to Loss of Vacuum Indication February 24; Restart Planned for February 25

The Tennessee Valley Authority (TVA) reported that on Sunday afternoon, after reducing the Sequoyah Unit 2 reactor from full to 25 percent power since Friday and with the turbine offline, operators manually tripped the unit due to a loss of condenser vacuum indication, according to a filing with the U.S. Nuclear Regulatory Commission. Operators determined that a faulty test connection on the B Condenser vacuum pressure switch caused the loss of vacuum indication. Operators were planning to restart the reactor on Monday. The incident had no impact on Unit 1.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130225en.html>

Update: Duke Energy's 1,100 MW McGuire Nuclear Unit 1 in North Carolina Restarts by February 24, Ramps Up to 46 Percent by February 25

McGuire Unit 1 is returning from an outage that began February 21, when the reactor automatically tripped from 100 percent power due to a turbine trip caused by a loss of both main feedwater pumps.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Update: TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Ramped Up to 92 Percent by February 23

Browns Ferry 3 is returning from an outage that began February 11, when the reactor was shut for maintenance on the condenser cooling water after groundwater from rain damaged the system. Operators restarted the unit by February 21.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Update: Entergy's 730 MW Palisades Nuclear Unit in Michigan at Full Power by February 23

The Palisades nuclear plant returned to full power by Saturday after an outage that began February 15, when the right train of the component cooling water (CCW) system became inoperable due to a leak inside the CCW heat exchanger. Operators restarted the unit by February 22.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Update: FirstEnergy's 821 MW Beaver Valley Nuclear Unit 1 in Pennsylvania at Full Power by February 24

Beaver Valley 1 returned to full power by Sunday after having been reduced to 82 percent power since February 9.
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Watson Cogeneration's 417 MW Watson Natural Gas-Fired Unit in California Returns to Service by February 24

The unit returned from an unplanned curtailment of 154 MW that began by February 23.
<http://content.caiso.com/unitstatus/data/unitstatus201302241515.html>

PG&E's 407 MW Helms Hydro Unit 1 in California Shut by February 24

The unit entered an unplanned outage.
<http://content.caiso.com/unitstatus/data/unitstatus201302241515.html>

Update: AES's 332 MW Alamitos Natural Gas-Fired Unit 3 in California Returns to Service by February 22

The unit returned from an unplanned outage that began by February 21.
<http://content.caiso.com/unitstatus/data/unitstatus201302221515.html>

Petroleum

Update: Motiva Restarting FCCU after Repairs to Fix Pipe Leak at Its 600,000 b/d Port Arthur, Texas Refinery February 21 – Sources

Motiva Enterprises on Thursday began restarting a fluid catalytic cracking unit (FCCU) at its Port Arthur refinery shutting the unit February 18 for repairs to fix a leak in a pipe connecting to a storage unit, according to sources familiar with refinery operations.
Reuters, 10:31 February 22, 2013

ExxonMobil Says Operations Normal at Its 572,500 b/d Baytown, Texas Refinery by February 25 after Boiler Snag Results in FCCU Emissions February 22

ExxonMobil on Monday said it had restored normal operations at its Baytown refinery after reducing feed to the No. 3 fluid catalytic cracking unit (FCCU) over the weekend. A carbon monoxide boiler trip at the refinery Friday night resulted in emissions from the wet gas scrubber on the FCCU, according to a filing with the Texas Commission on Environmental Quality.
Reuters, 09:03 February 25, 2013
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179694>

Phillips 66 Begins Restarting 124,000 b/d CDU and Coker Unit at Its 247,000 b/d Sweeny, Texas Refinery after Extended Work by February 22

Phillips 66 was restarting a 124,000 b/d crude distillation unit (CDU) and a coking unit at its Sweeny refinery on Friday, according to sources familiar with refinery operations. Operators began restarting the units earlier in the week and expected initial production to begin this week, with full production restored by mid-March. The CDU and coker were shut in early January for planned work initially scheduled to run four weeks, but operators extended the work by two weeks for additional repairs.
Reuters, 16:57 February 22, 2013

Marathon Stops Valves Leaking Product into DDU Flare at Its 451,000 b/d Galveston Bay, Texas Refinery February 23

Marathon Petroleum Corp. reported it stopped relief valves from leaking product into a distillate desulfurization unit (DDU) flare at its Galveston Bay refinery on Saturday after discovering the leaks the day before, according to a filing with the Texas Commission on Environmental Quality. Marathon recently renamed the facility to be called the Galveston Bay refinery after closing on its purchase of the refinery from BP, which had called it the Texas City refinery.
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179690>

BP Reports Boiler Emissions at Its 225,000 b/d Cherry Point, Washington Refinery February 16

BP Plc reported emissions of nitrogen oxides from the No. 6 boiler at its Cherry Point refinery on February 16, according to a filing with Northwest Clean Air Agency.
Reuters, 15:49 February 22, 2013

Shell Restarts Unspecified Unit at Its 100,000 b/d Scotford, Alberta Refinery February 23

Royal Dutch Shell Plc on Saturday reported it was restarting an unspecified unit at its Scotford refinery near Edmonton, Alberta, and expected intermittent flaring over the next 48 hours, according to a notice on a community information line. The activity had no material impact on production.
Reuters, 22:48 February 24, 2013

Sunoco Shuts 8-Inch Breckenridge/Ranger Crude Oil Pipeline after Spill near Ranger, Texas January 24

Sunoco Logistics Partners' 9,520 b/d Breckenridge/Ranger 8-inch crude pipeline system has remained shut since January 24, when about 350 barrels spilled near Ranger, Texas, according to the Railroad Commission of Texas. Initial inspections indicated the spill was likely caused by internal pipeline corrosion, but an investigation into the cause and extent of the spill was ongoing. Sunoco's Texas system is connected to the Mid-Valley pipeline, other third-party pipelines, and its Nederland, Texas terminal.
Reuters, 18:21 February 22, 2013

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1036588

Sunoco Reports Crude Oil Pipeline Leak near Woodville, Texas February 23

Sunoco Logistics Partners reported it had isolated a leak on a crude oil pipeline near Woodville, Texas after discovering it Saturday night, according to a filing with the U.S. National Response Center. Operators reported about 550 barrels of oil had spilled into Otter Creek.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1039285

Natural Gas

Enterprise Reports Unscheduled Isomerization Unit Maintenance at Its Mont Belvieu NGL Facility in Texas February 23

Enterprise Products Partners L.P. reported it was performing unscheduled maintenance in an isomerization unit at its Mont Belvieu natural gas liquids (NGL) facility Saturday night, according to a filing with the Texas Commission on Environmental Quality. Emissions related to the maintenance continued until Sunday afternoon.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179696>

Faulty Control Valve Leads to Flaring at Lone Star's Mont Belvieu NGL Facility in Texas February 22

Lone Star reported a relief valve on a y-grade dehydration unit opened to flare at its Mont Belvieu natural gas liquids (NGL) facility on Friday after a faulty control valve allowed pressure to build up in a regeneration heater, according to a filing with the Texas Commission on Environmental Quality. Operators shut down the system and closed the relief valve.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179639>

Acid Gas Incinerator Malfunctions Due to Freezing Temperatures at DCP Midstream's 165 MMcf/d Rock Creek Gas Plant in Texas February 21

DCP Midstream reported emissions at its Rock Creek plant on Thursday night occurred after an acid gas incinerator failed to operate when operators tried to restart it after maintenance, according to a filing with the Texas Commission on Environmental Quality. Cold temperatures froze a valve on the unit, operators said.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179646>

Unit Shutdown Causes Emissions at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas February 22

Southern Union Gas Services reported emissions at its Keystone plant Friday night after Unit 20 shut down for liquid slug, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=179648>

Update: Cheniere Says First Liquefaction Train at Its Sabine Pass LNG Export Terminal Will be Ready for Operation by Late 2015

Cheniere Energy on Friday said it will be ready to begin producing liquefied natural gas (LNG) at its terminal in Sabine Pass, Louisiana in late 2015. Cheniere owns the 4 Bcf/d Sabine Pass LNG receiving terminal and is developing a project to add liquefaction and export capabilities to the existing infrastructure. The company had previously announced the first liquefaction train could start operations as early as 2015, with the second liquefaction train expected to commence operations 6–9 months thereafter. Cheniere said construction was about 20 percent complete on the first two trains.

<http://phx.corporate-ir.net/phoenix.zhtml?c=207560&p=irol-newsArticle&ID=1787991>

<http://www.hydrocarbonprocessing.com/Article/3159703/Latest-News/Cheniere-to-start-US-LNG-export-facility-in-late-2015.html>

Vandals Damage Tractors at a Tennessee Gas Natural Gas Pipeline Construction Site in New Jersey February 16–17

Vandals damaged two vehicles at a New Jersey construction site where Tennessee Gas is building a natural gas pipeline, slashing the tires of one vehicle and cutting a hydraulic line on the second vehicle sometime the weekend of February 16–17. Officials were investigating whether the incident was a random act of vandalism or a deliberate attempt by opponents to hold up the project. Tennessee Gas is building a 7.6-mile natural gas pipeline from West Milford into Mahwah as part of a greater 40-mile Northeast Upgrade pipeline expansion project, which will install new pipe from northeast Pennsylvania to Mahwah to transport natural gas at production sites in Pennsylvania.

http://www.downstreamtoday.com/news/article.aspx?a_id=38677

Other News

DOE Says Six Tanks Storing Radioactive Waste Are Leaking at the Decommissioned Hanford Nuclear Production Complex in Washington State

Washington Governor Jay Inslee on Friday said that the U.S. Department of Energy has determined six single-shell tanks are leaking radioactive waste at the decommissioned Hanford nuclear production complex. The governor said DOE revised its estimate after reporting last week that only one tank was leaking. The Hanford site holds 177 tanks, 149 of which are single-shell tanks. The governor has called for a new system to remove waste from the aging tanks. DOE said it would look into options for accelerating that process, and that it would immediately activate additional monitoring of the single-wall tanks.

http://www.governor.wa.gov/news/20130222_2.aspx

International News

Update: ExxonMobil Lifts Force Majeure on Nigeria's Qua Iboe Grade by February 22

ExxonMobil Corp. on Friday reported it was lifting a force majeure on the Nigerian Qua Iboe crude grade, which it had put in place on February 7 due to pipeline repair work. Earlier on Friday, trade sources said Qua Iboe exports would be down by nearly 40 percent in April due to the force majeure. Nigeria will export around 222,000 b/d of Qua Iboe in April, trade sources said, down from a planned 368,000 b/d in March.

<http://www.reuters.com/article/2013/02/22/exxon-nigeria-forcemajeure-idUSL1N0BM88620130222?feedType=RSS&feedName=rbssEnergyNews&rpc=43>

Update: Ain Amenas Natural Gas Plant in Algeria Resumes Production at Reduced Rates More Than a Month after Militant Siege

Algerian state oil and gas company Sonatrach reported the Tiguentourine gas plant in Ain Amenas resumed some production on Sunday, more than a month after dozens of workers were killed in an Islamist attack there. The facility, which is jointly operated by Sonatrach, BP Plc, and Statoil, was attacked January 15 by militants demanding an end to France's armed intervention in Mali and the release of certain prisoners in Algeria. The Algerian military ended the siege by force four days later. A partial resumption of production will allow the plant to produce 3 billion cubic meters per year, Sonatrach said. The plant typically produces about 9 billion cubic meters per year of gas, about 11.5 percent of the country's annual total.

Reuters, 06:52 February 24, 2013

Energy Prices

U.S. Oil and Gas Prices			
February 25, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	92.83	95.53	108.52
NATURAL GAS Henry Hub \$/Million Btu	3.27	3.19	2.68

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>

Please direct comments and questions to: ead@oe.netl.doe.gov