



ENERGY ASSURANCE DAILY

Tuesday Evening, March 26, 2013

Electricity

TransAlta Declares Force Majeure on Its 395 MW Keephills Coal-Fired Unit 1 in Alberta Due to Winding Failure in Generator March 26

TransAlta Corporation today announced that it has declared force majeure due to a winding failure found in the generator of its 395 MW Keephills 1 power plant located near Wabamun, Alberta. TransAlta is working with the original equipment manufacturer of the generator to safely return the unit to service, which is currently expected to be on or about April 21, 2013.

<http://www.transalta.com/newsroom/news-releases/2013-03-26/transalta-declares-force-majeure-keephills-1-power-plant>

Update: Inland Empire Energy Center's 366 MW Inland Empire Natural Gas-Fired Unit 2 in California Returns to Service by March 25

The unit returned from an unplanned outage that began by March 24.

<http://content.caiso.com/unitstatus/data/unitstatus201303251515.html>

Update: Calpine's 135 MW Calpine American Natural Gas-Fired Unit in California Returns to Service by March 25

The unit returned from an unplanned outage that began by March 24.

<http://content.caiso.com/unitstatus/data/unitstatus201303251515.html>

Petroleum

Alon Reduces Feed to DHT, FCCU, Other Units at Its 67,000 b/d Big Spring, Texas Refinery after High Reactor Outlet Temperature Trips SRU March 25

Alon USA Holdings reported that acid gas emissions from sulfur recovery unit (SRU) No. 1 at its Big Spring refinery on Monday were due to a trip caused by high reactor outlet temperature, according to a filing with the Texas Commission on Environmental Quality. Operators shut a sour water stripper and reduced feed to the diesel hydrotreater (DHT), fluid catalytic cracking unit (FCCU), and unspecified other units to minimize emissions. Operators also rerouted feed to SRU No. 2.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180844>

Control Valve Failure Shuts Coker Wet Gas Compressor at Phillips 66's 247,000 b/d Sweeny, Texas Refinery March 25

Phillips 66 reported that the coker wet gas compressor at its Sweeny refinery tripped offline for 29 minutes on Monday after a control valve failed, causing elevated emissions from Flare 29 and the No. 29.2 delayed coker unit, 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=180817>

Flare Gas Compressor Trip Causes Emissions at Phillips 66's 362,000 b/d Wood River, Illinois Refinery March 25

Phillips 66 reported a flare gas recovery compressor tripped at its Wood River refinery on Monday, causing sulfur dioxide and nitrous oxide emissions, according to a filing with state pollution regulators.

Reuters, 04:00 March 26, 2013

Tesoro Logistics to Link Its High Plains Crude Oil Pipeline System to Global Partners' Basin Transload Facility in North Dakota

Global Partners LP today announced it has executed a pipeline connection agreement with Tesoro Logistics whereby Tesoro Logistics' High Plains Pipeline System will build, own, and operate a new 7-mile pipeline lateral from its Lignite, North Dakota crude oil station to Global's 100,000-barrel crude oil storage tank at the Basin Transload facility in Columbus, North Dakota. Crude oil is expected to begin flowing to the new Columbus-bound branch in the third quarter of 2013, enhancing the movement of Midcontinent crude to Global's destination assets on the East Coast. Tesoro's High Plains Pipeline System includes an approximate 45,000 b/d, truck-based crude oil-gathering operation and approximately 700 miles of pipeline and related storage assets. This system gathers and transports crude oil produced from the Bakken Shale/Williston Basin area.

<http://phx.corporate-ir.net/phoenix.zhtml?c=190320&p=irol-newsArticle&ID=1800524>

Jefferson Refinery Plans Beaumont, Texas Crude Oil Terminal, Transloading Dock to Ship 70,000 b/d of Railed-In North American Crude to Gulf Coast Refineries

The CEO of Jefferson Refinery on Monday presented to the Port of Beaumont's commissioners its plans to build a crude oil terminal and transloading facility at the port's Orange County dock, where it expects to begin bringing in crude oil via rail from Canada, the Bakken Shale in North Dakota, and the Eagle Ford Shale in Texas in early May. The project would build 120 unloading stations to transfer 60,000–70,000 b/d of crude from tankers onto barges for transport to Sabine-Neches Ship Channel, where it will be distributed to local Gulf Coast refineries. Kansas City Southern railway will immediately start building new switch track and signalization to improve access into the dock, and the port recently finished constructing a rail loop to serve the dock. In the project's second phase, Jefferson Refinery would build 150,000-barrel storage tanks, a barge dock, and pipelines to nearby ExxonMobil facilities and the Oiltanking Beaumont terminal. Jefferson Refinery also plans to refit an old refinery near Hamshire to process 40,000 b/d of crude into petrochemical feedstock and industrial fuels.

<http://fuelfix.com/blog/2013/03/25/new-beaumont-terminal-to-carry-crude-to-gulf-coast-refiners/>

Suncor Reports Untreated Process Water Discharged from a Broken Pipe at Its Oilsands Facility Near Fort McMurray, Alberta March 25

Suncor Energy Inc. reported that "process-affected" water from an oil sands facility north of Fort McMurray poured from a 4-inch pipe that froze and broke on Monday into a partially frozen outfall pond. Officials believed the water leaked for about 4.5 hours before operators sealed the pipe, but an investigation continued. "Process-affected water" is defined as any water used in the facility, and is discharged exclusively in outfall ponds. (By contrast, wastewater and sand from the actual oilsands extraction process is held in tailings ponds.) Process-affected water has varying levels of contaminants and must be cleaned before it is discharged from the Suncor facility into the nearby Athabasca River. Operators were investigating to determine whether the untreated water that leaked on Monday was toxic and whether it was released in the river. Suncor said the water had mixed with treated outflow pond water. The incident has not affected the plant's operations.

<http://alberta.ca/201303/33874A6EBEDE1-0733-650A-8F65681246ADB575.html>

<http://www.cbc.ca/news/canada/edmonton/story/2013/03/26/edmonton-suncor-water-leak.html>

http://www.calgaryherald.com/Suncor+responding+break+frozen+line+that/8153098/story.html?_lsa=8a94-7706

Natural Gas

Operator-Panel Errors Shut AGI Compressor at Regency's 290 MMcf/d Waha Gas Plant in Texas March 23

Regency Energy Partners reported an acid gas injector (AGI) compressor at its Waha plant shut down on communication/HMI-panel errors on Saturday, 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=180778>

Steam Boiler Shuts on Flame Failure at Atlas Pipeline's 195 MMcf/d Midkiff Gas Plant in Texas March 24

Atlas Pipeline reported a steam boiler at its Midkiff plant went down on flame failure Sunday evening, causing both sales lines to close on high hydrogen sulfide concentration, 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=180818>

Compressor Shuts During Pigging Procedures at Southern's 140 MMcf/d Keystone Gas Plant in Texas March 22; SRU Shuts on High Temperature March 24

Southern Union Gas Services reported it began flaring inlet gas at its Keystone plant last Friday after a field compressor went down during pipeline pigging procedures, according to a filing with the Texas Commission on Environmental Quality. Flaring associated with this event continued for nearly 6 hours. Operators also reported that on Sunday morning, a sulfur recovery unit (SRU) shut down due to high 'A Bed' temperature.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180781>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180777>

Enbridge Reports Numerous AGI Unit Shutdowns at Its Tilden Gas Plant in Texas March 22–23

Enbridge reported numerous acid gas injector (AGI) unit shutdowns at its Tilden plant over the weekend, according to filings with the Texas Commission on Environmental Quality. AGI Units 1 and 2 shut on Friday after an inlet emergency shutdown (ESD) valve triggered, causing low pressure. Operators were investigating what may have caused the ESD to shut. Later that morning, AGI Unit 2 shut on low discharge pressure. When operators restarted the unit, both AGI Units 1 and 2 shut on a compressor motor fault. On Saturday, AGI Unit 2 shut on low lube oil level due to a clogged oil line.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180775>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180776>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180779>

Other News

Nothing to report.

International News

Iraq Shuts 350,000 b/d Kirkuk-Ceyhan Crude Oil Pipeline to Repair a Leak March 26; Expects to Resume Service March 26 without Impacting Exports

Iraq's state North Oil Company (NOC) reported it shut the Kirkuk-Ceyhan pipeline, which carries about 350,000 b/d from Iraq's northern oilfields to the Turkish port of Ceyhan, early on Tuesday due to a leak, but expected to resume service on the pipeline later in the day. Operators were replacing a damaged part of the pipeline, according to Turkish and Iraqi energy officials, who said exports were not affected because there was enough crude in storage at the Turkish port of Ceyhan to continue loading ships. Local news reports, citing an unnamed police source, said the leak was caused by an attack by insurgents, who blew up part of the pipeline near the area of Tulool al-Baj.

http://www.tradearabia.com/news/OGN_232915.html

http://zeenews.india.com/news/world/pipeline-attack-in-iraq-halts-oil-exports_838023.html

Iraq to Fall Short of 2014 Target for Oil Output Due to Bureaucratic Hurdles, Political Disputes

Iraq won't reach its target of producing 4.5 million barrels of oil a day (MMb/d) by next year and plans to announce revised production goals in April, according to senior government officials, who cited bureaucratic hurdles and political disputes with the Kurdistan Regional Government. The country produced an average of 3.2 MMb/d in February and seeks to raise oil output to an average of 3.7 MMb/d this year, with oil exports averaging 2.9 MMb/d this year.

<http://www.bloomberg.com/news/2013-03-25/iraq-to-fall-short-of-2014-target-for-oil-output-lawmaker-says.html?cmpid=yahoo>

ENI Suspends Onshore Activity at 40,000 boe/d Swamp Area Production Site in Bayelsa, Nigeria by March 22 Due to Frequent Thefts

Italy's ENI S.p.A said it had completely suspended all onshore activity at the Swamp Area site in Bayelsa, in southern Nigeria, in the night between March 21 and 22 due to frequent thefts from pipelines. The company was producing between 35,000 and 40,000 barrels of oil equivalent per day (boe/d) at the site, but theft and losses due to sabotage were claiming up to 60 percent of production.

<http://www.citifmonline.com/index.php?id=1.1315296>

Energy Prices

U.S. Oil and Gas Prices			
March 26, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	95.18	92.86	106.87
NATURAL GAS Henry Hub \$/Million Btu	4.08	3.98	2.07

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