



ENERGY ASSURANCE DAILY

Wednesday Evening, May 13, 2015

Electricity

Update: FirstEnergy's 882 MW Davis-Besse Nuclear Unit in Ohio Ramps Up to 33 Percent by May 13

By the morning of May 12 the unit had restarted and had ramped up to 14 percent. A steam leak shut unit from full power on Saturday night. The leak was located in a turbine area within a pipe used for preheating water. The plant remained closed through Sunday as operators tried to make repairs and reopen the facility.

<https://twitter.com/DavisBesse>

<http://www.thenews-messenger.com/story/news/local/2015/05/10/davis-besse-shuts-steam-leak/27097465/http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150511en.html>

NCPA's 303 MW Lodi Gas-fired Unit in California Shut by May 12

The unit entered a planned and unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201505121515.html>

Update: Mojave Solar's 250 MW Solar Unit in California Returns to Service by May 12

The unit returned from an unplanned curtailment of 125 MW that began by May 3.

<http://content.caiso.com/unitstatus/data/unitstatus201505121515.html>

High Plains Ranch's 210 MW Valley Solar Ranch Solar Unit in California Shut by May 12

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201505121515.html>

ITC Completes 345 kV Thumb Loop Transmission Line in Michigan

ITC Transmission today announced its Thumb Loop high-voltage transmission project is complete with the energization of the third and final phase of the project. The transmission line serves as the backbone of a system designed to meet the identified maximum wind energy potential of Michigan's Thumb region.

<http://www.itc-holdings.com/releases-news/item/928-itc-completes-thumb-loop-transmission-line.html>

Duke Energy and Austin Energy Complete 200 MW Los Vientos III Wind Power Project in Texas

Duke Energy on Tuesday announced the completion of its Los Vientos III wind power project near the Rio Grande in Starr County, Texas. Austin Energy is purchasing the power and associated renewable energy credits from the 200 MW wind farm under a 25-year agreement. Austin Energy also will purchase the output of the 200 MW Los Vientos IV wind farm under construction in Starr County, with an expected completion date in 2016.

<http://www.duke-energy.com/news/releases/2015051201.asp>

CSX Says No ‘Significant Delays’ in Rail Operations through Philadelphia May 13 after Amtrak Derailment May 12

CSX said its rail operations were not experiencing any “significant delays” in the Philadelphia area Wednesday following an Amtrak derailment Tuesday. CSX’s mainline is not in the vicinity of the Amtrak incident, according to a CSX spokesman. CSX is a major handler of bulk liquids transportation including crude oil and products. On Tuesday an oil train that was scheduled to depart the Eddystone rail terminal outside Philadelphia was delayed following the derailment, a source familiar with activity at Eddystone said. The delay was a result of personnel being drawn to work on the aftermath of the derailment, the source said.

Reuters, 11:21 May 13, 2015

Reuters, 10:02 May 13, 2015

American Petroleum Institute Petitions Court over U.S. Train Safety Rules

The American Petroleum Institute (API) on Monday launched a legal challenge to federal rules aimed at tightening safety standards in oil-by-train transport, the New York Times reported on Tuesday. API petitioned the U.S. Court of Appeals for the District of Columbia to block important provisions of the rules presented earlier this month by Transportation Secretary Anthony Foxx, the newspaper said. The U.S. and Canada announced on May 1 long-awaited safety rules for trains carrying oil, as regulators seek to reduce risks after a series of explosive accidents that accompanied a surge in crude-by-rail shipments. The rules call for a rapid phase-out of older tank cars considered unsafe during derailments, and are more aggressive than even some of the toughest proposals yet put forward. The petition filed on Monday seeks to bar a rule requiring older tank cars to be fitted with new safety features, and that such cars be fitted with new electronic braking systems or face operating limits. The rail and energy sectors have already expressed concern that the required speed of the phase-outs is not feasible. The new regulations are expected to cost an estimated \$2.5 billion to implement over the next two decades, two-thirds of that to retrofit or retire existing tank cars, according to estimates contained in the rules.

Reuters, 21:43 May 12, 2015

http://www.nytimes.com/2015/05/13/business/energy-environment/oil-industry-asks-court-to-block-rail-transport-safety-rules.html?_r=0

Senator Murkowski Introduces Bill to Reverse U.S. Oil Export Ban May 13

Senator Lisa Murkowski, chairman of the Senate Energy and Natural Resources Committee, and 12 other senators unveiled legislation on Wednesday to reverse the U.S. ban on crude oil exports. The Energy Supply and Distribution Act of 2015 would end a ban on oil exports Congress passed in 1975. The Act would authorize exports of all crude oil and condensate produced in the U.S. without a federal license, on the same basis as exports of petroleum products are currently authorized; direct the Secretary of Energy to improve the understanding of “energy security” across the federal government, drawing also from the President’s National Security Strategy; authorize the Secretary to lead interagency efforts on “shared infrastructure” analysis and training related to cross-border energy projects; authorize a program requested by EIA to share data with Mexico and Canada on crossborder energy flows; direct DOE to create a standard definition of “condensate”; authorize DOE and Department of the Interior to assess condensate separately from crude oil; and affirm the Commerce Department’s 2014 decision to treat processed condensate as a petroleum product, which may be exported without a license.

http://www.murkowski.senate.gov/public/index.cfm/pressreleases?ContentRecord_id=d1502220-2297-4d6c-a419-df3809eb61e9

<http://www.energy.senate.gov/public/index.cfm/2015/5/s.%201312%20-%20energy%20supply%20distribution%20act>

ExxonMobil Reports Rates Cut after Mechanical Breakdown at Its 238,000 b/d Joliet, Illinois Refinery

Reuters, 4:08 May 13, 2015

Marathon Petroleum to Shut FCCU for Work at Its 522,000 b/d Garyville, Louisiana Refinery

Marathon Petroleum Corp will shut a fluid catalytic cracking unit (FCCU) at its refinery in Garyville, Louisiana, late this week for three to four weeks of work, industry publication Energy News Today (ENT) reported on Tuesday.

The unit was running “while dealing with operational issues en route to shutdown late this week,” ENT reported.

Reuters, 16:52 May 12, 2015

HollyFrontier Reports Shutdown May 9, Hydrogen Sulfide Emissions May 7 at Its 155,300 b/d Tulsa, Oklahoma Refinery

Reuters, 13:47 May 13, 2015

Valero Reports Excess Emissions at Its 86,000 b/d Ardmore, Oklahoma Refinery May 7

Reuters, 13:43

Tesoro Reports Pump Shutdown, Sulfur Dioxide Emissions at Its 166,000 b/d Martinez, California Refinery May 13

Reuters, 13:18 May 13, 2015

North Dakota Posts Surprising Increase in Oil Output in March

North Dakota posted a surprising jump in oil and natural gas output in March, as producers leaned on newer technologies and processes to offset a slump in commodity prices. The state's oil producers pumped nearly 1.2 million b/d in March, up about 1 percent, or some 15,000 b/d, from February, according to a report from the state's Department of Mineral Resources.

Reuters, 11:59 May 13, 2015

U.S. Oil Stockpiles Decrease Again, Refiners Ease Up – EIA

U.S. crude oil stocks fell for a second consecutive week following four months of steady gains, even though refiners cut back record seasonal rates and imports jumped, Energy Information Administration (EIA) data showed on Wednesday. Crude inventories fell 2.2 million barrels in the week to May 8, compared with analysts' expectations for an increase of 386,000 barrels. Crude stocks at the Cushing, Oklahoma, delivery hub fell 990,000 barrels, EIA said. Refinery crude runs, which have been running at record season rates for several months, fell 379,000 b/d, EIA data showed. Refinery utilization rates increased 1.8 percentage points to 91.2 percent.

<http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=WCESTUS1&f=W>

Reuters, 11:32 May 13, 2015

Natural Gas

DOE Authorizes Corpus Christi Liquefaction Project in Texas to Export LNG

The Department of Energy (DOE) on Tuesday announced it issued a final authorization for the Corpus Christi Liquefaction Project to export domestically produced liquefied natural gas (LNG) to countries that do not have a Free Trade Agreement (FTA) with the U.S. The Corpus Christi Liquefaction Project in Corpus Christi, Texas is authorized to export LNG up to the equivalent of 2.1 Bcf/d of natural gas for a period of 20 years. Federal law generally requires approval of natural gas exports to countries that have an FTA with the U.S. For countries that do not have an FTA with the U.S., the Natural Gas Act directs DOE to grant export authorizations unless DOE finds that the proposed exports "will not be consistent with the public interest."

<http://energy.gov/articles/energy-department-authorizes-corpus-christi-liquefaction-project-export-liquefied-natural>

Duke Energy Acquires Stake in 500-Mile Sabal Trail Natural Gas Pipeline from Alabama to Florida

Duke Energy announced the acquisition of an ownership stake in the proposed Sabal Trail natural gas pipeline that will run from Alabama, across Georgia, and into Florida. The pipeline is set to start service in 2017. It will require federal and other regulatory approvals, which Sabal Trail Transmission hopes to secure by early 2016.

http://www.sabaltrailtransmission.com/press_releases/110_Duke-Energy-buys-7-5--of-previously-announced-Sabal-Trail-pipeline-that-will-meet-growing-need-for-natural-gas-in-Southeast-U-S-

Other News

Nothing to report.

Oil Pumping Stops on Kirkuk-Ceyhan Pipeline from Iraq to Turkey – Shipping Sources

Oil pumping was suspended on the Iraq-Turkey Kirkuk-Ceyhan pipeline since Tuesday due to technical reasons and repairs could take 3–4 days, a shipping source said on Wednesday.
Reuters, 4:03 May 13, 2015

Eastern Libya Ports Loading 1.25 Million Barrels of Crude Oil – Oil Officials

One tanker has left Libya's eastern port of Hariga carrying 600,000 barrels of crude while another is set to load 650,000 barrels of oil from the eastern port of Zueitina, oil officials said on Wednesday. The Zueitina crude came from port storage, one official said, noting fresh supplies by pipeline remained blocked by protesters demanding state jobs. A third tanker was waiting outside Hariga to lift crude, while another tanker was about to bring imported fuel to the port. The western El Feel oilfield, operated by state-run National Oil Corp and Italy's ENI, remained closed by a security guards' strike, a field engineer said. A pipeline blockage shut the neighboring El Sharara field in November. The closure of several oilfields across Libya has reduced Libya's oil production to between 380,000 b/d and 400,000 b/d, an industry source said on Friday.
Reuters, 9:37 May 13, 2015

Energy Prices

U.S. Oil and Gas Prices			
May 13, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	60.93	60.88	100.89
NATURAL GAS Henry Hub \$/Million Btu	2.86	2.76	4.53

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