



# ENERGY ASSURANCE DAILY

Wednesday Evening, June 03, 2015

## *Electricity*

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### **Update: NPPD's 764 MW Cooper Nuclear Unit in Nebraska at Full Power by June 3**

On the morning of June 2 the unit had restarted and was operating at 58 percent. The unit shut from full power by May 30.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

### **CDWR's 374 MW San Luis Hydro Unit in California Reduced by June 2**

The unit entered an unplanned curtailment of 199 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201506021515.html>

## *Petroleum*

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### **Update: Chevron Deploys Robots to See Damage at Big Foot Site in Gulf of Mexico June 2**

Chevron Corp on Tuesday deployed robots on the seafloor near its Big Foot deepwater oil project, aiming to find just how much damage it must contend with after six giant tendons sank and indefinitely delayed the start of production at the platform. The company said late Monday it would move the Big Foot platform away from the site after tendons failed to float. The setback means Chevron will not meet its goal of bringing Big Foot production online by the end of the year. The site, 225 miles south of New Orleans, Louisiana, in the U.S. Gulf of Mexico, is expected to produce 75,000 b/d of oil once it opens.

<http://finance.yahoo.com/news/chevron-deploys-robots-see-damage-215341382.html>

[http://www.chevron.com/chevron/pressreleases/article/06012015\\_chevrontomovedeepwaterusgulfmexicoplatform](http://www.chevron.com/chevron/pressreleases/article/06012015_chevrontomovedeepwaterusgulfmexicoplatform)

### **Shell Reports Restarting Unit at Its Scotford, Alberta Facility June 3**

Royal Dutch Shell Plc reported restarting a unit at its Scotford, Alberta facility on June 3, according to a community information line. The company said there could be flaring for 24 hours. Shell runs a 255,000 b/d oil sands upgrader facility and a 100,000 b/d refinery at Scotford.

Reuters, 11:35 June 3, 2015

### **Phillips 66 Reports Process Upset at Its 146,000 b/d Borger, Texas Refinery June 2**

Reuters, 16:34 June 2, 2015

### **Shell Reports SRU Power Loss at Its 145,000 b/d Anacortes, Washington Refinery June 2**

Reuters, 13:37 June 2, 2015

### **Phillips 66 Reports Boiler Shutdown at Its 101,000 b/d Ferndale, Washington Refinery May 27**

Reuters, 13:40 June 2, 2015

### **U.S. Crude Oil Exports in April Reach Record 586,000 b/d**

U.S. crude oil exports in April reached a record high of 586,000 b/d, foreign trade data showed on Wednesday. April's exports were the highest recorded since data was available in 1920 from the U.S. Energy Information Administration. Meanwhile, some 492,000 b/d were exported to Canada, compared with the 378,000 b/d in March, U.S. Census Bureau's foreign trade data showed. Other exports went to China, South Korea, the Netherlands, and Spain.

Reuters, 9:36 June 3, 2015

## **U.S. Crude Oil Stockpiles Fall despite Declining Refinery Runs – EIA**

U.S. crude oil stockpiles fell for the fifth week in a row even as refinery operating rates eased, data from the Energy Information Administration (EIA) showed on Wednesday. Crude inventories fell 1.95 million barrels to 477.4 million barrels in the week to May 29, the EIA said, compared with analysts' expectations for a decrease of 1.7 million barrels. Stocks at the Cushing, Oklahoma, crude futures delivery hub, fell 983,000 barrels, the EIA said. The EIA data also contradicted Tuesday's industry data from the American Petroleum Institute that showed crude inventories rose 1.8 million barrels last week to 479.8 million. Crude futures initially recovered slightly from losses after the report, but prices were under pressure ahead of Friday's OPEC meeting where the producer group is expected to keep its production targets unchanged.

Reuters, 11:35 June 3, 2015

## ***Natural Gas***

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### **Spectra Energy Pipeline in Arkansas River Ruptures, Releases 4 Million Cubic Feet of Natural Gas June 1**

A 2-mile section of the Arkansas River near Little Rock remained closed Wednesday following the rupture of a pipeline that release 4 million cubic feet of natural gas. A Coast Guard spokesman said the section of the river will remain closed until Spectra Energy crews can identify what caused the leak. He said no injuries had been reported and that the sheen the fuel had left on the river's surface had mostly dissipated by Monday, when the leak was reported. A Spectra Energy Corp. spokesman said the cause of the leak wasn't known. The leak occurred Sunday or Monday on an auxiliary line that is part of the company's Texas Eastern Pipeline, which transports fuel from Texas to New Jersey. The line was closed when it ruptured and the roughly 4 million cubic feet of natural gas that escaped had been what was left over inside. Dive crews using sonar equipment have been working the area since Monday but record rainfall across the southern Plains was complicating their efforts and causing waterways, including the Arkansas River, to swell.

<http://finance.yahoo.com/news/pipeline-arkansas-river-ruptures-releases-121842779.html>

### **ExxonMobil Reports Unit Down on Motor Vibration Shutdown at Its 65 MMcf/d Dollarhide Gas Plant in Texas June 2**

ExxonMobil reported unit P-12 shut due to excessive vibration caused by motor coupling misalignment. Mechanics were working to diagnose the issue and all available flowing wells shut in to reduce and mitigate emissions.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=215163>

### **Regency Reports High Pressure at Its 290 MMcf/d Waha Gas Plant in Texas June 1**

Regency reported high second stage discharge pressure due to hot valves (poppet valves). The compressor was isolated and the hot valves (poppet valves) were replaced. The unit was reset and restarted.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=215066>

### **Southern Union's 140 MMcf/d Keystone Gas Plant in Texas Shut Due to Power Outage Caused by Storms May 31**

Southern Union reported the plant shut due to a power outage caused by thunderstorms. The company reported gas was flared and minimized.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=215063>

### **Eagle LNG Submits Draft Resource Reports to FERC for Its 0.55 MTPA Jacksonville Facility in Florida**

Eagle LNG Partners on Tuesday announced it achieved a major milestone by submitting drafts of Resource Reports 1 through 12 to the Federal Energy Regulatory Commission (FERC). With this submission, the project is closer to receiving the necessary permits and approvals to commence construction and operation of its planned 0.55 mtpa liquefied natural gas (LNG) facility in Jacksonville, Florida. The Jacksonville facility will service local domestic applications and nearby small-scale export markets. FERC and relevant government agencies will now review the draft reports and provide feedback to Eagle LNG. Eagle LNG continues to prepare draft Resource Report 13, engineering and design material, and anticipates filing in due course. Upon FERC review of all 13 Resource Reports, and Eagle LNG addressing concerns identified by FERC, Eagle LNG anticipates FERC will grant Filing status.

<http://www.eaglelng.com/eagle-lng-achieves-major-milestone/>

## **Sempra LNG, Woodside Sign Memorandum of Understanding for Potential Development of 1.4 Bcf/d Natural Gas Liquefaction Facility at Port Arthur, Texas June 3**

Sempra LNG today announced it has executed a non-binding Memorandum of Understanding (MOU) with an affiliate of Woodside Petroleum Ltd. to commence discussions and assessments for the potential development of Sempra LNG's proposed Port Arthur liquefaction project in Port Arthur, Texas. The proposed Port Arthur liquefaction project would be located at a site previously permitted for an LNG regasification terminal and would be designed to include two natural gas liquefaction trains with a total export capability of approximately 1.4 Bcf/d as well as LNG storage tanks and marine facilities for LNG ship berthing and loading.

<http://sempra.mediaroom.com/index.php?s=19080&item=137051>

## **Chevron Pays Record Fine for Deadly 2014 Explosion in Pennsylvania – Department of Environmental Protection**

The Pennsylvania Department of Environmental Protection (DEP) entered into a Consent Assessment of Civil Penalty (CACP) with Chevron Appalachia, LLC for violations related to a fatal explosion and fire at the company's Lanco Well Site in Dunkard Township, Greene County. The CACP requires the company to pay a \$939,552 fine for violations at the well site. The penalty points to Chevron's failure to construct and operate the well site to ensure that health, safety, and environment were protected, as required by the state's Oil and Gas Act. The explosion and fire at the site occurred on February 11, 2014, as workers were preparing the Lanco 7H well for production. The force of the explosion damaged and ignited the Lanco 6H well, which was on the same well pad. One worker was killed and another injured. The well fires continued to burn for four days. The wells continued to emit gas and production fluids until they were capped several days later. DEP's Bureau of Investigation conducted an investigation which determined that an ejected nut and pin assembly on Lanco 7H well allowed gas to escape into the air. Chevron has since inspected other wells with similar installations and has made operational changes and issued guidelines on how those changes are carried out.

<http://www.portal.state.pa.us/portal/server.pt/community/newsroom/14287?id=20761&typeid=1>

## ***Other News***

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Nothing to report.

## ***International News***

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### **Iraq Sees 100,000 b/d Export Boost from Basra Heavy Oil**

Iraq's oil exports, already running at record highs, may rise a further 100,000 b/d this month thanks to the launch of a new Basra Heavy crude grade, the oil minister said on Wednesday. He said creating a new heavy oil stream has allowed Iraq to revive some fields that had been shut-in to maintain the quality of its mainstay Basra Light grade, which had come under criticism from some buyers over varying quality specifications. Exports rose to a record 3.145 million b/d in May, with some 2.7 million b/d of that via the southern Basra terminals.

Reuters, 8:07 June 3, 2015

### **Iraq's Kurdistan Region Exported 577,621 b/d of Oil via Pipeline in May**

Iraq's Kurdistan region said it exported an average of 577,621 b/d of oil via pipeline to Turkey in May. The autonomous region said it had supplied Iraq's State Oil Marketing Organisation (SOMO) with an average of 448,889 b/d of that crude over the same period. A deal was reached last December whereby the Kurds agreed to export an average of 550,000 b/d via SOMO in 2015 in exchange for the reinstatement of budget payments from Baghdad, which cut funding to the region last year.

Reuters, 13:27 June 2, 2015

## Energy Prices

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U.S. Oil and Gas Prices			
June 3, 2015			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	60.15	57.93	103.29
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.62	2.82	4.52

Source: Reuters

## Links

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***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](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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