



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, June 11, 2013

Electricity

Derailed Train Strikes Transmission Tower, Knocks Out Power to More Than 19,000 Duke Energy Customers in Ohio June 10

Several cars of an Indiana and Ohio Railway train derailed in Norwood, Ohio Monday night and struck a high-voltage tower, causing it to fall on a nearby building and knocking out power to more than 19,000 Duke Energy customers. Officials said at least one of the cars was carrying a flammable liquid, but it was not one that derailed. Reports don't indicate what the other cars of the train were carrying. Duke fully restored power to affected customers by Tuesday morning.

<http://www.wlwt.com/news/local-news/indiana/train-derails-in-norwood-causing-power-outages-/13610848/20506980/-/4xf754/-/index.html>

Walnut Creek Energy Finishes Construction on 500 MW Natural Gas-Fired Peaking Power Plant in Southern California June 11

Walnut Creek Energy LLC, a subsidiary of Edison Mission Group Incorporated and Edison International, has completed the construction of a 500 MW simple-cycle peaking power plant in Industry, California. The Walnut Creek Energy Park consists of five General Electric LMS100 natural gas-fired combustion turbine generators.

<http://www.marketwatch.com/story/walnut-creek-energy-finishes-construction-on-natural-gas-fired-power-plant-in-southern-california-an-industrial-info-news-alert-2013-06-11>

Calpine's 525 MW Sutter Natural Gas-Fired Unit in California Shut by June 10

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201306101515.html>

Update: FirstEnergy's 831 MW Beaver Valley Nuclear Unit 2 in Pennsylvania at Full Power by June 11

Beaver Valley 2 returned from an outage that began May 28, when operators shut the unit for maintenance on the main generator and reactor coolant pump. Operators restarted the unit by June 10.

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

Petroleum

Enbridge Shuts Three Major Oil Pipelines, Imperial Shuts One Line after Leak Discovered near Imperial's 121,000 b/d Sarnia, Ontario Refinery June 11

Enbridge Inc. and Imperial Oil Ltd. both shut oil pipelines Tuesday after a spill of around five barrels of oil was discovered near Imperial's 121,000 b/d Sarnia, Ontario refinery. The source of the spill remains under investigation. Enbridge shut the 491,000 b/d Line 5, the 609,000 b/d Line 6A, the 231,000 b/d Line 6B, and a small lateral line in the area, but planned to restore service on the lines soon because tests had determined that the leaked oil did not come from Enbridge's pipelines. Imperial shut a pipeline between the Marcus terminal and the Sarnia refinery. A company spokesman said the spill could have come from one of five Imperial pipelines, or from lines operated by Enbridge Inc. or Plains All American Pipeline LP, in the area.

Reuters, 13:57 June 11, 2013

Reuters, 13:32 June 11, 2013

NEB Releases Enbridge Pipeline Control Room Inspection Report

The Canadian National Energy Board (NEB) on Monday released the inspection report documenting its assessment of Enbridge Pipeline Inc.'s initiatives in pipeline integrity, emergency response management, and control center operations. In August and September of 2012, the board inspected Enbridge's control room operations to assess Enbridge's stated improvements following the 2010 pipeline rupture in Marshall, Michigan. Many aspects of Enbridge's management systems were reviewed during the inspection. Since Enbridge had not yet fully implemented all the improvements it has identified following the Marshall rupture, the board is ordering a third-party audit to fully examine Enbridge's management system, any human factors associated with control room operation, and the safety culture of the organization as a whole. The NEB will set the parameters of the audit. The third-party auditor will report directly and be fully accountable to the board.

<http://www.neb-one.gc.ca/clf-nsi/rthnb/nws/nwsrls/2013/nwsrls16-eng.html>

http://www.neb-one.gc.ca/clf-nsi/rsftyndthnvrnmnt/sfty/brdrdr/nbrdg_of_surv_gen_07-eng.html

Enbridge Delays Maintenance on Its 215,000 b/d Ozark Crude Oil Pipeline Due to Recent Extreme Weather and Heavy Rains in Oklahoma

Enbridge Energy Partners LLC will conduct planned maintenance on its 215,000 b/d Ozark crude oil pipeline from June 14–24, a spokesman said on Monday, delaying work originally scheduled for 10 days starting June 10. The Ozark pipeline runs 435 miles from Cushing, Oklahoma to Wood River, Illinois. Shippers were informed late last week that extreme weather and heavy rains in Oklahoma caused the delay. The company has estimated capacity on the pipeline will be reduced about 40 percent in June because of the shutdown.

Reuters, 12:09 June 10, 2013

Update: Marathon Restarts Crude Units at Its 451,000 b/d Galveston Bay, Texas Refinery by June 10; FCCU Remains Shut for Repairs

Marathon Petroleum Corp. said the crude units were brought back online along with other operations over the weekend at its Galveston Bay refinery, a spokesman said Monday, but the fluid catalytic cracking unit (FCCU) remains down for repairs. Operators on Friday reported a plant-wide shutdown at the refinery after discovering a leak on the FCCU.

Reuters, 14:35 June 10, 2013

Unit Malfunction Causes SRU Emissions at Total's 232,000 b/d Port Arthur, Texas Refinery June 9

Total reported a malfunction at Units 870 and 871 at its Port Arthur refinery Sunday caused emissions from the No. 4 and 5 sulfur recovery units (SRU), according to a filing with the Texas Commission on Environmental Quality. The upsets were short lived and operators restored the SRUs to normal operation.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=183908>

Phillips 66 Reports Leak in Ultra Low Sulfur Diesel Unit at Its 362,000 b/d Wood River, Illinois Refinery June 9

Phillips 66 reported a leak in the ultra low sulfur diesel unit was discovered at its Wood River refinery late Sunday night, according to a filing with the U.S. National Response Center. Operators were isolating and depressuring the unit. The company had on Monday reported emissions due to an equipment leak in a compressor area at the refinery in a notice filed with State pollution regulators.

Reuters, 00:10 June 11, 2013

PBF Energy Reports Coker Unit Upset at Its 190,000 b/d Delaware City, Delaware Refinery June 11

PBF Energy Inc. reported the loss of a carbon monoxide boiler at the coker unit of its Delaware City refinery, according to a filing with the State pollution regulators. A separate message on a community information line early Tuesday said the refinery shut an air pollution control device.

Reuters, 08:23 June 11, 2013

Update: ExxonMobil Restores Normal Operations at Its 149,500 b/d Torrance, California Refinery by June 10

ExxonMobil Corp. on Monday reported that it has restored normal operations at its Torrance refinery following maintenance and a power failure, according to a spokesman said. Operators had been restarting units after a turnaround that began May 3 and a power failure May 30.

<http://www.bloomberg.com/news/2013-06-10/california-gasoline-slides-first-time-in-four-days-on-restarts.html?cmpid=yhoo>

Chevron Reports Unit Startup at Its 245,271 b/d Richmond, California Refinery June 10

Chevron Corp. reported a unit startup at its Richmond refinery, according to a filing with Contra Costa Health Services. The filing also said there was a release of nitrous oxide at the refinery on June 6.

Reuters, 15:13 June 10, 2013

Unspecified Problem Causes Sulfur Dioxide Emissions at Phillips 66's 120,000 b/d Rodeo, California Refinery

Phillips 66 reported sulfur dioxide emissions at its Rodeo refinery after an unspecified problem, according to a filing with the Contra Costa Health Services Hazardous Materials Program.

<http://www.hydrocarbonprocessing.com/Article/3217165/Latest-News/Phillips-66-had-problem-at-Rodeo-refinery.html>

Natural Gas

Update: Oregon LNG Files FERC Application for 1.5 Bcf/d LNG Export Project at Approved LNG Import Terminal in Oregon

Oregon LNG, together with Oregon Pipeline Co., on Friday filed with the U.S. Federal Energy Regulatory Commission (FERC) an application proposing to convert its liquefied natural gas (LNG) import terminal and pipeline, authorized by the U.S. Department of Energy in May 2012, into a bidirectional LNG terminal consisting of marine facilities, LNG storage tanks, LNG vaporization facilities, natural gas liquefaction facilities, and associated support facilities, to be located in Warrenton, Oregon. Developers expect the liquefaction trains and regasification facilities to start operation in the second quarter of 2017. By the first quarter of 2019, the facilities could have a total export capacity of 1.25 Bcf/d and a total import capacity of 0.5 Bcf/d. Natural gas will be transported to and from the terminal via an approximately 86.8-mile, 36-inch bidirectional pipeline that is being developed by Oregon Pipeline Company. The pipeline will interconnect with the interstate transmission system of Northwest Pipeline GP, a subsidiary of the Williams Companies, at the Northwest Pipeline Interconnect near Woodland, Washington.

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13276695>

Update: FERC Says Federal Authorizations for Freeport LNG's Proposal to Export 1.8 Bcf/d of LNG from Its Quintana Island LNG Terminal in Texas Due by March 2014

The U.S. Federal Energy Regulatory Commission (FERC) announced it will prepare by December 27 a final Environmental Impact Statement (EIS) for Freeport's proposal to modify its existing Freeport LNG Terminal on Quintana Island to allow the export of up to 1.8 Bcf/d of liquefied natural gas (LNG). Agencies that issue federal authorizations are required to complete the necessary reviews and issue their permits and/or authorizations within 90 days of the date FERC submits the EIS—i.e., by March 27, 2014. Subject to environmental review and final regulatory approval, Freeport has been authorized to export up to 1.4 Bcf/d of domestically produced LNG from the Quintana terminal to countries with which the United States has a Free Trade Agreement (FTA), as well as non-FTA countries, for a period of 20 years.

http://www.downstreamtoday.com/news/article.aspx?a_id=39755

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13264220>

Amine System Upset Shuts AGI Compressor at Regency's 290 MMcf/d Waha Gas Plant in Texas June 7 and June 9

Regency Energy Partners reported an amine system upset at its Waha plant caused the acid gas injector (AGI) compressor to shut down Friday morning, according to a filing with the Texas Commission on Environmental Quality. Emissions related to this incident continued for 12 hours Friday. Operators reported the same problem occurred Sunday morning. In that case emissions continued for a little more than 2 hours.

<http://www11.tceq.state.tx.us/oce/ear/index.cfm?fuseaction=main.getDetails&target=183759>

<http://www11.tceq.state.tx.us/oce/ear/index.cfm?fuseaction=main.getDetails&target=183782>

Turbine Snags Lead to Flaring at DCP Midstream's 160 MMcf/d Goldsmith Gas Plant in Texas June 8

DCP Midstream reported the b-turbine at its Goldsmith plant went down on several alarms Saturday morning, according to a filing with the Texas Commission on Environmental Quality. Operators reported the b-turbine went down again on a temperature alarm on Monday morning.

<http://www11.tceq.state.tx.us/oce/ear/index.cfm?fuseaction=main.getDetails&target=183776>

<http://www11.tceq.state.tx.us/oce/ear/index.cfm?fuseaction=main.getDetails&target=183906>

Valve Malfunction Shuts Acid Gas Compressor at Targa's 150 MMcf/d Sand Hills Gas Plant in Texas June 8

Targa reported the acid gas compressor CM-14 at its Sand Hills plant shut down on high third-stage discharge pressure Saturday night, according to a filing with the Texas Commission on Environmental Quality. The discharge pressure was high due to malfunctioning compressor discharge valves.

<http://www11.tceq.state.tx.us/oce/ear/index.cfm?fuseaction=main.getDetails&target=183783>

Hilcorp Considering Integrating Four Natural Gas Pipelines in Cook Inlet, Alaska

Hilcorp Energy Co. told the Regulatory Commission of Alaska late last month that it is considering better integrating the four natural gas pipelines it operates in Cook Inlet, Alaska, largely to streamline its processes for rate cases and nominations. Hilcorp has started on a multiphase evaluation of how best to enable the pipelines to operate as a single system, which may include infrastructural developments. The company is also considering increasing the availability of storage in tandem with system integration efforts. Discussions with the RCA and other stakeholders are expected to continue later this summer.

http://www.downstreamtoday.com/news/article.aspx?a_id=39750

Other News

NRC Seeks Public Comment on Foreign Ownership of Nuclear Power Plants

The U.S. Nuclear Regulatory Commission (NRC) is seeking public comment on issues related to foreign ownership, control, and domination of commercial nuclear power plants. The Atomic Energy Act and NRC regulations disqualify any applicant for a nuclear power plant operating license if the applicant is owned, controlled, or dominated by a foreign national, a foreign corporation, or a foreign government. In recent years, a number of licensing actions before the NRC have involved complex issues of foreign ownership, control, and domination. The NRC believes this is likely due to the increased globalization of the electric power industry and complexity of corporate structures generally. The commission directed the staff in March to prepare a fresh assessment of foreign ownership issues and propose any changes to guidance or practice that may be warranted. The staff's assessment and proposals are due to the commission by December 31.

<http://pbadupws.nrc.gov/docs/ML1316/ML1316A379.pdf>

International News

Update: Sudan Officially Notifies South Sudan That It Will Suspend Oil Exports

Sudan officially informed South Sudan by a letter on Tuesday about its decision to suspend their oil and economic agreements, and said it will close South Sudan's export pipelines for a period of 60 days starting last Sunday. Sudan on Sunday said it would close the two export pipelines with South Sudan within 2 months unless Juba gave up any support for insurgents operating across their shared border. In reaction to the letter, South Sudan's oil minister Stephen Dhieu Dau said his country will abide by Sudan's decision, but the oil that had already gone into the pipeline would be sold and distributed, and added that his country was working closely with the operators to make the shutdown was secured. South Sudan has produced and sent almost 7 million barrels of oil to facilities in Sudan since restarting production in March, the minister said.

Reuters, 13:32 June 11, 2013

Zueitina and Marsa el Hariga Oil Terminals in Libya Reopen by June 11 as Protesters Leave – Workers

Protesters who had forced two oil terminals in Libya to shut have left the sites and normal operations are resuming at both Marsa el Hariga and Zueitina, workers said on Tuesday. The Zueitina field shut on Saturday. The Marsa el Hariga field shut at least 3 weeks ago. The latest disruptions have caused Libya's oil output to slump to 1.16 MMb/d, according to industry sources. It produced about 1.6 MMb/d before the revolution of 2011.

Reuters, 11:55 June 11, 2013

Update: Shell Lifts Force Majeure on Gas Supplies for Nigeria LNG June 10

The Shell Petroleum Development Company of Nigeria Ltd Joint Venture (SPDC JV) on Tuesday announced it has lifted the force majeure on gas supplies to Nigeria LNG, effective June 10. The force majeure was declared on May 15 due to a leak on the Eastern Gas Gathering System pipeline. An investigation indicated that the leak was caused by sabotage. Some 240,000 barrels of oil equivalent per day (boe/d) of SPDC JV production was deferred over the shut-in period. SPDC has now repaired the line and resumed gas production.

<http://www.shell.com/global/aboutshell/media/news-and-media-releases/2013/spdc-jv-lifts-force-majeure-gas-supplies-nlng.html>

Energy Prices

U.S. Oil and Gas Prices			
June 11, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	95.32	93.41	83.60
NATURAL GAS Henry Hub \$/Million Btu	3.73	4.00	2.20

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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