



ENERGY ASSURANCE DAILY

Tuesday Evening, June 14, 2016

Electricity

Update: Duke Energy's 1,129 MW Catawba Nuclear Unit 2 in South Carolina Ramps Up to 99 Percent by June 14

On the morning of June 13 the unit was operating at 50 percent, reduced from full power on June 11.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Copper Mountain's 155 MW Solar Unit 2 in California Shut by June 13

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201606131515.html>

Georgia Power to Cease Operations of All Coal Ash Ponds within 3 Years

Georgia Power on Monday announced all of its 29 ash ponds across the state will cease operations and stop receiving coal ash within the next three years. Additionally, the company is completely removing the ash from 16 ponds located adjacent to lakes or rivers where advanced engineering methods, such as the installation of impermeable concrete barriers designed to isolate the closed pond from groundwater, may not be feasible. The ash from these ponds will either be relocated to a permitted landfill, consolidated with other closing ash ponds or recycled for beneficial use. The company's remaining 13 ash ponds will be closed in place using advanced engineering methods.

<https://www.georgiapower.com/about-us/media-resources/newsroom.chtml>

Minnesota Power Receives PUC Approval to Retire Coal Plants

The Minnesota Public Utilities Commission (PUC) approved Minnesota Power's plan June 7 to retire two older coal units at its 1,070 MW Clay Boswell plant in Cohasset by 2022, and to stop burning coal permanently by 2020 at its 225 MW Taconite Harbor plant in Schroeder. The company said it will invest more in wind, solar, and natural gas.

http://www.mnpower.com/Content/Documents/Company/PressReleases/2016/20160610_NewsRelease.pdf

<http://www.mnpower.com/Company/Generation>

http://www.gillette newsrecord.com/ap/business/article_f6ecf55e-3e44-5c28-989e-1ec7c3dc6f49.html

DOE Announces \$82 Million for Nuclear Energy Research June 14

U.S. Department of Energy (DOE) Secretary Ernest Moniz on Tuesday announced \$82 million for nuclear energy projects in 28 states as part of the government's plan to reduce carbon emissions. Moniz said Tuesday that the 93 research projects will help scientists innovate with nuclear technologies that can eventually enter the commercial market. The money includes \$36 million for 49 university-led projects. Fifteen universities also will receive nearly \$6 million to research reactor and infrastructure improvements.

<http://www.energy.gov/articles/energy-department-invests-82-million-advanced-nuclear-technology>

Reuters, 1:16 June 14, 2016

ConocoPhillips Reports 2,400 Barrel Oil Condensate Spill in Alberta June 14

ConocoPhillips on Tuesday reported that a pipeline has leaked nearly 2,400 barrels of condensate oil within an endangered caribou and grizzly bear range approximately 40 miles northeast of Grand Cache, Alberta. The Alberta Energy Regulator (AER) issued an environmental protection order to the company, which shut down and isolated the pipeline and is investigating the cause of the spill. ConocoPhillips first reported the leaking of condensate from a pipeline near its Resthaven gas plant on June 9 and the AER said there was a dead patch of vegetation near the pipeline and a visible sheen on Webb Creek. Conoco Phillips has erected a boom, deployed soaker pads to contain the condensate spill, and activated its emergency response plan.

<https://www.aer.ca/about-aer/media-centre/news-releases/news-release-2016-06-14>

Reuters, 3:39 June 14, 2016

Update: Suncor Restocking Petro-Canada Stations after Restarting Its 142,000 b/d Edmonton, Alberta Refinery June 14

Suncor Energy says its Edmonton refinery is working to restock Petro-Canada stations after fuel shortages across Western Canada. A company spokeswoman said it will be a matter of days before fuel stocks are replenished after the refinery outage on May 27 led to significantly reduced production of diesel and gasoline. The company said supply disruptions from the Fort McMurray wildfire added to the shortages and it starting bringing in extra fuel supplies by truck and rail to help ease the shortage that had at some points spread to Shell and other competing stations as well. Suncor says it continues to ramp up crude production in the Fort McMurray area following the wildfire and expects to return to normal rates by the end of June.

Reuters, 1:16 June 14, 2016

Update: Motiva Restarting Naphtha Hydrotreater at Its 603,000 b/d Port Arthur, Texas Refinery – Sources

Motiva Enterprises was restarting a 115,000 b/d naphtha hydrotreater at its Port Arthur, Texas refinery, two sources said Tuesday, after it was shut due to storms on Sunday night. The unit was expected to be restarted Tuesday and to be in full production by Thursday, the sources said.

Reuters, 9:30 June 14, 2016

Update: Marathon Delays FCCU Restart at Its 451,000 b/d Galveston Bay, Texas Refinery June 14 – Sources

Marathon Petroleum Corp delayed the restart of the fluid catalytic cracker unit (FCCU) at its Galveston Bay, Texas refinery following blower problems, according to two people familiar with the plant. The 120,000 b/d FCCU was due to be restarted late Monday, but the restart was delayed due to control system problems, the sources said. The unit will be shut for at least several days. The FCCU was knocked out of production on Monday afternoon when the unit's blower tripped out of operation, the sources said. On June 7, Marathon completed the permanent closure of a 60,000 b/d FCCU at the Galveston Bay refinery to meet the terms of an agreement with the U.S. Environmental Protection Agency to reduce pollution from the sprawling plant. In a separate incident, Marathon reported an upset and emissions from the FCCU 3 wet gas scrubber on June 14. Operators brought the unit to a safe state and are working to resolve issues.

Reuters, 2:11 June 14, 2016

Reuters, 10:14 June 14, 2016

Citgo Shuts Alkylation Unit at Its 157,500 b/d Corpus Christi, Texas Refinery – Sources

Citgo Petroleum Corp shut the alkylation unit in the East Plant of its Corpus Christi, Texas refinery over the weekend for repairs, sources familiar with plant operations said on Monday. The 21,000 b/d alkylation unit is expected to be shut for about a week, the sources said.

Reuters, 4:59 June 13, 2016

Honeywell Opens New Catalyst Production Line at Its Shreveport, Louisiana Facility June 14

Honeywell on Tuesday opened a new production line to produce a new range of catalysts for the oil refining industry at its catalyst manufacturing facility in Shreveport, Louisiana. The new production line will manufacture catalysts for hydroprocessing, which removes impurities from fractionated crude oil and also makes transportation fuels. Construction of the new production line began late in 2014, coinciding with several other investments, including expansion of the facility's third production line, and installation of a new kiln and water clarification system.

<http://www.prnewswire.com/news-releases/honeywell-uop-opens-new-catalyst-production-line-at-shreveport-la>

Natural Gas

ANR Pipeline Reports Capacity Reduction on Its SEML Pipeline in Ohio June 14

ANR Pipeline Company on Tuesday reported that due to unplanned compressor maintenance at the Defiance Compressor Station, capacity was reduced by 30 MMcf/d, leaving 1,150 MMcf/d available. The compressor station is located along the Southeast Central Fuel Segment (ME-3) on the Southeast Mainline (SEML).

<http://anrebb.transcanada.com/>

ExxonMobil Reports Units Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas June 13

ExxonMobil reported the shutdown of the Cat-4, Cat-5, Cat-7, Cat-11, Cat-12, Cat-13, Cat-14, Cat-15, P-9, P-12, P-17, and Wauk-3 units. All recycle compression shut on low suction pressure and the plant experienced an emergency shutdown caused by a malfunctioning fiber optic line. The emergency shutdown was reset and the units were restarted.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=235591>

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas June 12

Regency reported the acid gas injector (AGI) compressor shut on high scrubber level. The scrubber was drained and the AGI unit was restarted.

<http://www2.tceq.texas.gov/oce/eeer/index.cfm?fuseaction=main.getDetails&target=235522>

Other News

Nothing to report.

International News

TransCanada, Spectra Awarded Contracts to Construct Texas-Mexico Gas Pipelines

TransCanada Corporation on Monday announced that its joint venture with IEnova, Infraestructura Marina del Golfo (IMG), has been chosen to build, own, and operate the Sur de Texas-Tuxpan natural gas pipeline in Mexico. The project will be supported by a 25-year natural gas transportation service contract for 2.6 billion cubic feet a day with the Comisión Federal de Electricidad (CFE), Mexico's state-owned power company. TransCanada will construct the 42-inch diameter, approximately 497-mile pipeline and anticipates an in-service date of late 2018. The pipeline will begin offshore in the Gulf of Mexico, at the border point near Brownsville, Texas and end in Tuxpan, in the state of Veracruz. In addition to a connection with CENAGAS's pipeline system in Altamira, the project will interconnect with TransCanada's Tamazunchale and Tuxpan-Tula pipelines as well as with other transporters in the region. Additionally, Spectra Energy Corp on Monday announced that its subsidiary, Valley Crossing Pipeline, LLC, has been awarded a 168-mile intrastate natural gas pipeline project by Mexico's Comisión Federal de Electricidad (CFE) to provide natural gas transportation services beginning in 2018. Valley Crossing will construct and operate a header system of more than 5 Bcf/d near the Agua Dulce Hub in Nueces County, Texas, as well as a 2.6 Bcf/d pipeline originating at that header and extending to Brownsville, Texas. There, the pipeline will connect with the Sur de Texas-Tuxpan pipeline, which will extend into Mexico.

<http://www.spectraenergy.com/Newsroom/News-Archive/Spectra-Energy-Awarded-15-Billion-NuecestoBrownsville-Pipeline-Project-to-Meet-Critical-Need-for/>
<http://finance.yahoo.com/news/transcanada-build-2-1-billion-190401453.html>

Iran's Crude Oil Production at 3.8 Million b/d June 14 – Oil Minister

Iran's crude oil production has reached 3.8 million b/d, the oil minister said on Tuesday, noting that Tehran has managed to export more than 2 million b/d after the lifting of sanctions.

Reuters, 3:48 June 14, 2016

Energy Prices

U.S. Oil and Gas Prices			
June 14, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	48.44	50.32	60.12
NATURAL GAS Henry Hub \$/Million Btu	2.52	2.32	2.87

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>

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