



# ENERGY ASSURANCE DAILY

Friday Evening, August 01, 2014

## *Electricity*

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### **Update: Dominion's 871 MW Millstone Nuclear Unit 2 in Connecticut at Full Power by August 1**

On the morning of July 31 the unit was operating at 60 percent after restarting by July 30. The unit was shut from full power July 26 due to turbine driven AFW pump failure.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2014/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2014/20140728en.html>

### **Update: Dynegy, LLC's 754 MW Moss Landing Gas-fired Unit 6 in California Returns to Service by July 31**

The unit returned from an unplanned curtailment of 154 MW that began by July 30.

<http://content.aiso.com/unitstatus/data/unitstatus201407311515.html>

## *Petroleum*

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### **Update: CVR's 115,000 b/d Coffeyville, Kansas Refinery May Remain Shut for Four Weeks after Fire**

CVR's Chief Executive Officer on Thursday said its Coffeyville, Kansas, refinery may remain idle for four weeks after a July 29 fire. The July 29 fire, which started in an isomerization unit, damaged fiber optics in the Coffeyville refinery's control system, forcing valve closings on units and preventing crews from operating equipment, according to a person familiar with operations.

<http://www.bloomberg.com/news/2014-08-01/refinery-fire-eases-concern-cushing-stockpiles-will-sink.html>

### **PBF Energy May Build Oil-by-Rail Facility at Its 160,000 b/d Toledo, Ohio Refinery**

PBF Energy Inc.'s chief executive officer said the company may build its own rail offloading facility at its Toledo refinery in Ohio. The Toledo refinery currently brings in some crude by rail via a third party facility. PBF recently finished expanding a rail-offloading infrastructure at its Delaware refinery, which now has capacity to offload up to 210,000 b/d (130,000 b/d of North Dakota Bakken and 80,000 b/d Canadian heavy crude). Whether shipments reach those levels depends on crude pricing, the company chairman said. In the third and fourth quarters this year, PBF has "significant volumes" of Iraqi crude coming in that could shrink the company's need for Canadian oil if better priced, he said. The same applies to Bakken crude shipments.

<http://www.reuters.com/article/2014/08/01/pbf-energy-crude-railway-idUSL2N0Q713Y20140801>

### **Delta Considers Building 5-Mile Oil Pipeline in Pennsylvania to Help Cut Transport Costs**

Delta Air Lines Inc. is considering building a 5-mile underground pipeline that would move crude oil from near Philadelphia to its refinery in Trainer, Pennsylvania, reports Reuters. Delta currently uses barges that can carry about 150,000 barrels, which adds around \$1 per barrel of transport costs, Reuters said. Delta has been meeting with community groups in recent weeks to discuss the proposed pipeline, a spokesman for Delta said.

[http://www.bizjournals.com/atlanta/morning\\_call/2014/08/delta-mulls-oil-pipeline-to-help-cut-transport.html](http://www.bizjournals.com/atlanta/morning_call/2014/08/delta-mulls-oil-pipeline-to-help-cut-transport.html)

### **Diversified Oil Field Services Pipeline Explodes in New Mexico July 30**

Eddy County, New Mexico, deputies said a Diversified Oil Field Services pipeline exploded, killing one person, when workers were cutting a pipeline and disassembling PVC pipe. Hydrogen gases were immediately released into the air. The accident happened in an expansive oilfield south of Artesia. The company said the accident was under investigation.

[http://www.kob.com/article/stories/S3520869.shtml#.U9uc9\\_lUSk](http://www.kob.com/article/stories/S3520869.shtml#.U9uc9_lUSk)

## **427 Barrel Oil, 142 Barrel Saltwater Spill at Statoil's Anderson Well Site in North Dakota Contained and Recovered**

The North Dakota Oil and Gas Division announced July 31 that a July 29 Statoil Oil & Gas L.P. spill of 427 barrels of oil and 142 barrels of saltwater was contained and recovered at the Anderson 28-33 3H well site near Ross, North Dakota, after an alleged valve failure. This is the second release in July for the company after a pipeline leaked an estimated 75 barrels of saltwater in McKenzie County.

<http://www.jamestownsun.com/content/oil-saltwater-spill-mountrail-county-0>

## ***Natural Gas***

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### **Oregon LNG Secures DOE Approval for Global LNG Exports**

Oregon LNG on Thursday announced it had received authorization from the U.S. Department of Energy (DOE) to export liquefied natural gas (LNG) to countries that do not have a Free Trade Agreement (FTA) with the U.S. The approval comes notwithstanding recently announced modifications to DOE's licensing review process. DOE FTA approval is a critical milestone in the multi-step approval process for licensing of an LNG project. The project filed an application at the Federal Energy Regulatory Commission (FERC) and is currently under NEPA review. Final approval by FERC and DOE, as well as other approvals, are necessary before the project can commence construction. The site for Oregon LNG's export terminal is adjacent to the federally-maintained Columbia River shipping channel. The overall approval process is expected to be completed before the end of 2015.

<http://www.oregonlng.com/blog/us-department-of-energy-gives-approval-to-oregon-lng-to-export-lng/>

### **Regency's 290 MMcf/d Waha Gas Plant in Texas Shut due to Recompressor Outages July 30**

Regency reported three recompressor units shut on high oil temperature due to a cooling fan malfunction. Four other compression units were subsequently lost due to the upset caused by the three shut recompressors. The entire plant went down on the unit outages. The plant was brought back online and was being lined out when it experienced a brief power outage. The cooling fan was repaired, all units were restarted, the plant was brought back online, and the acid gas injector compressor was restarted once the proper operating parameters were met.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=201705>

### **Lightning Strike, Power Outage Shuts Atlas' 200 MMcf/d Driver Gas Plant in Texas July 30**

Atlas reported its Driver gas plant was shut by a lightning strike that knocked power out to the Sharyland substation. Inlet gas was flared to minimize emissions until Sharyland Power and Electric got their substation back online and power feed to our plant was restored.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=201683>

### **Southern Union Cuts Rates at Its Keystone Gas Plant in Texas July 30**

Southern Union reported unit no. 24, which handles low pressure inlet gas coming into the plant, shut. The plant immediately started backing out some of the inlet gas coming in to help get off the flare.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=201719>

## ***Other News***

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### **U.S. Senate Legislation Introduced to Prevent Future Propane Shortages**

Senators Tammy Baldwin, Al Franken, and Rob Portman, introduced a bill to address the causes of last winter's propane shortage and provide solutions to minimize the chance of future shortages. The Propane Supply and Security Act, which was introduced July 31, would improve propane supply and price information, coordinate responses to shortages, study the need for regional propane reserves, and help farmers purchase propane storage tanks. With Congress beginning its August recess today, the National Propane Gas Association said it would now rally support for the bill within the states.

<http://www.lpgasmagazine.com/legislation-emerges-to-prevent-future-propane-shortages/>

<http://www.franken.senate.gov/files/documents/140731PropaneSummary.pdf>

## EPA Extends 2013 Renewable Fuel Standard Compliance Deadline for Third Time

The U.S. Environmental Protection Agency (EPA) on Thursday extended for a third time the deadline for refiners to show compliance with 2013 federal biofuel use targets. Annual compliance reports would be due 30 days after the pending publication of the final rule on 2014 renewable fuels, the agency said. Thursday's move was the third extension of the 2013 Renewable Fuel Standard (RFS) compliance deadline, which was originally to have been February 28 and was first pushed to June and then to September. The EPA said the extension was necessary because refiners need to know their 2014 obligations before they can determine how many biofuel credits they may need to carry over from 2013 in order to comply with this year's requirements. The final 2014 proposal is expected to be sent to the White House within weeks, at which point the long-delayed rule will enter its final review before public release.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=44017](http://www.downstreamtoday.com/news/article.aspx?a_id=44017)

## International News

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### Update: Kurdish Oil Tanker Remains off Texas Coast, Second Tanker Heading to U.S.

The United Kalavryta tanker, filled with disputed Kurdish oil, remains anchored 60 miles southeast of the Texas coast, as it has been since July 28. Meanwhile, the Minerva Joy left Dortyol, Turkey, a port used to export oil trucked from the Kurdish region of Iraq, on July 23 and is due to dock in Paulsboro, New Jersey, on August 11, according to shipping data compiled by Bloomberg. It would be the sixth vessel carrying Kurdish oil to the U.S. Shipping and U.S. customs data show that two of those earlier shipments may have been delivered to LyondellBasell Industries' refinery in Houston. The company said yesterday it will stop purchasing Iraqi crude after an ownership dispute arose associated with the recent shipments it purchased. On July 28, the Iraqi Oil Ministry persuaded a U.S. judge to order the seizure of 1 million barrels of oil inside the United Kalavryta tanker anchored off Galveston, Texas, that it claims was illegally pumped from wells in Kurdistan. The seizure ordered can't be executed because the tanker remains outside of U.S. territorial waters. The ship loaded in Ceyhan, Turkey, where a pipeline from the Kurdish region of northern Iraq terminates.

<http://www.bloomberg.com/news/2014-08-01/one-kurdish-tanker-waits-off-texas-another-heads-to-u-s-.html>

## Energy Prices

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U.S. Oil and Gas Prices			
August 1, 2014			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	98.22	102.06	107.75
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.74	3.80	3.44

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**

*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>

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