



ENERGY ASSURANCE DAILY

Tuesday Evening, August 06, 2013

Electricity

Lightning Strike on Transmission Corridor Cuts Power to 400,000 Hydro-Quebec Customers August 5; Power Restored Hours Later

Nearly 400,000 Hydro-Quebec customers lost power around 3:30 p.m. local time Monday after a lightning strike on an electricity transmission corridor. The corridor transferred power from the Churchill Falls generating station in Newfoundland and Labrador and caused widespread power outages in Montreal, the Monteregie, the Laurentians, Laval and parts of Quebec City. By 5:30 p.m. Monday, all customers had power restored.

<http://www.montrealgazette.com/news/Power+restored+after+widespread+outages/8750074/story.html>

Update: Progress Energy's 900 MW Harris Nuclear Unit 1 in North Carolina at Full Power by August 6

On the morning of August 5 the unit was operating at 73 percent after being reduced from full power to 8 percent on August 3 and ramping up to 13 percent on August 4, according to the Nuclear Regulatory Commission.

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

Update: Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi Ramped Up to 92 Percent by August 6

On the morning of August 5 the unit was operating at 42 percent. It had been restarted and was operating at 4 percent by the morning of August 4 after being shut down on July 31 due to a reactor scram caused by a turbine generator trip, according to the Nuclear Regulatory Commission.

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

Petroleum

Update: FCCU at Planned Rates at Valero's 310,000 b/d Port Arthur, Texas Refinery August 6

Valero Energy Corp. said a fluidic catalytic cracking unit (FCCU) at its Port Arthur refinery was at planned rates Tuesday. The unit, which was restarted late Thursday, was taken out of production for work on July 4.

Reuters, 11:34 August 6, 2013

Unit Shutdown Reported at Shell's 156,400 b/d Martinez, California Refinery August 4

Royal Dutch Shell Plc reported an unexpected unit shutdown, on Sunday, at its Martinez refinery due to a lack of nitrogen on-site, according to a filing with Contra Costa Health Services. No flaring was expected at the refinery, the filing said.

Reuters, 13:02 August 5, 2013

Shell Reports Flaring at Its 145,000 b/d Anacortes, Washington Refinery August 4

Royal Dutch Shell Plc reported flaring and sulfur dioxide emissions at its Puget Sound refinery in Anacortes, Washington, on Sunday, according to a filing with the Northwest Clean Air Agency.

Reuters, 14:54 August 5, 2013

Chevron to Pay \$2 Million Fine for August 2012 Fire at Its 245,000 b/d Richmond, California Refinery – Official

Chevron Corp. agreed to pay \$2 million in fines and restitution after pleading no contest to six misdemeanor charges on Monday from the August 6, 2012, explosion and fire at its Richmond refinery, according to the local district attorney. The fire started as firefighters were attempting to find the source of a leak in piping on the refinery's crude distillation unit. The fire sent a large amount of black smoke over the Bay area and in the following days, more than 15,000 area residents went to hospitals complaining of respiratory distress. The city of Richmond is suing Chevron over the fire, as are hundreds of San Francisco area residents. The company is continuing an inspection of 16,000 individual piping components, a Chevron spokesperson said.
Reuters, 17:08 August 5, 2013

MMA Railway to Stop Transporting Oil after Quebec Train Derailment – Report

The Montreal, Maine and Atlantic Railway, Ltd. (MMA) will stop transporting oil after the July 6 train derailment in Quebec, MMA's chairman said. MMA owns 510 miles of track in Maine, Vermont and Quebec, according to its website. MMA was hauling about 50,000 barrels of crude oil, which originated in the Bakken fields of North Dakota and was destined for a refinery in New Brunswick, when the train derailment occurred.
Reuters, 11:52 August 6, 2013

Plains All American's 175,000 b/d Mississippian Lime Crude Oil Pipeline to Cushing Online August 1

Plains All American LP (PAA) said on Tuesday that its 170-mile long Mississippian Lime pipeline project started up on August 1, and an extension remains on track to start up in the fourth quarter this year. The new pipeline services northern Oklahoma and southern Kansas. The Mississippian Lime pipeline, in conjunction with the PAA's Medford-to-Cushing pipeline conversion project, is designed to provide approximately 175,000 b/d of crude oil transportation capacity to the Cushing market.

<http://www.law360.com/articles/307511/paa-to-build-170-mile-mississippian-lime-pipeline-in-okla>

Reuters, 11:39 August 6, 2013

Occidental Proceeding With 75,000 b/d Cline Shale Pipeline in Texas

Centurion Pipeline, a unit of Occidental Petroleum Corp., said on Tuesday that it will proceed with building a Cline shale pipeline system in Texas to move crude oil from Sterling, Coke, Tom Green, and Mitchell counties to its existing Colorado City station. The system is expected to come online by July 2014.
Reuters, 10:52 August 6, 2013

U.S. Development Group Partners With Gibson Energy to Develop Crude-by-Rail Terminal Near Hardisty, Alberta

U.S. Development Group LLC (USDG) and Gibson Energy Inc. (Gibson) announced Tuesday that they have partnered to expand USDG's crude-by-rail development to Canada and increase transportation optionality for Gibson's Hardisty Terminal customers. Gibson and USDG have jointly secured sufficient customer term commitments to construct a new unit train rail loading facility near Hardisty, Alberta, with pipeline connectivity from Gibson's Hardisty Terminal. The Hardisty Rail Terminal will handle multiple grades of crude oil with an initial capacity of 140,000 b/d and will be capable of handling two unit trains per day of up to 120 railcars each. It will consist of a fixed loading rack with 30 railcar loading positions, plus a unit train staging area and loop tracks capable of holding up to five unit trains. The Hardisty Rail Terminal is targeted to begin operation in the first quarter of 2014.

<http://us-dev.com/usd/>

http://www.gibsons.com/Section/InvestorRelations/News_Details.aspx?link=http://gibsonenergy.mwnewsroom.com/article/xml?id=1747343

Suncor's Average Output from Canadian Oil Sands Rose 33 Percent in July

Suncor Energy Inc. said Tuesday its average production from Canadian oil sands operations rose 33.1 percent to 390,000 b/d in July from 293,000 b/d the previous month. July production was reduced by about 1 million barrels due to temporary restrictions on Enbridge Inc.'s regional oil sands pipeline system in the first half of the month, Suncor said.

Reuters, 8:52 August 6, 2013

Natural Gas

Update: Drilling of Relief Well Begins at Ruptured South Timbalier 220 Gas Well A-3 in U.S. Gulf of Mexico August 5

Drilling began on a relief well to secure the South Timbalier 220 natural gas Well A-3 Sunday, using the Rowan EXL-3 jack-up rig contracted by Walter Oil & Gas Corporation. Walter experienced a loss of control of Well A-3 on July 23, and the leaking natural gas ignited later that night. The well flow subsided after a natural bridging process and the fire was suppressed by July 25. Drilling is expected to continue for approximately 35 days although many factors can affect the expected schedule including weather and the intricate work of locating the target well bore at the end of the drilling process. The Bureau of Safety and Environmental Enforcement (BSEE), U.S. Coast Guard, and Walter, through the Unified Command, continue to oversee and coordinate response efforts to secure the well. <http://www.bsee.gov/BSEE-Newsroom/Press-Releases/2013/Press08052013z.aspx>

AGI Compressor Shut at Regency's 290 MMcf/d Waha Gas Plant in Texas August 4

Regency reported the acid gas injector (AGI) compressor at its Waha gas plant shut down on first stage high suction pressure due to unstable liquid levels and pressures in the amine system. The amine system pressures/volumes lined out and the AGI compressor was reset and restarted. The AGI flare and volume meter were in service during the downtime.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=186333>

Emperor Units Shut at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas August 2

Southern Union reported that the emperor no. 4 went down for lubricator left bank no-flow. Mechanics made repairs to both emperor no. 3 and 4 and started the units Saturday morning to get off the flare.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=186278>

Flaring Reported at ExxonMobil's 135 MMcf/d Salt Creek Gas Plant in Texas August 4

ExxonMobil reported during weekend operations, the K-3401 shut down on high vibration on the no. 1 throw, routing its inlet to flare. Operations responded immediately by loading all other inlet compression to their maximum allowable capacity in order to limit emissions. Mechanics found that bolts had broken on the counter weight causing the vibration and were working to remove the broken bolts.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=186336>

Other News

Nothing to report.

International News

Update: Crude Oil Flow Halted Through Iraq-Turkey Pipeline – Iraq Official

Oil flow through the Kirkuk-Ceyhan pipeline linking Iraq to Turkey was halted early on Tuesday, an official at Iraq's North Oil Company said. The reason for the stoppage was not immediately clear, the official said. Crude oil flow had just resumed flowing Friday after being shut down on July 31 due to a leak.

Reuters, 4:49 August 6, 2013

Energy Prices

U.S. Oil and Gas Prices			
August 6, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	105.37	102.95	91.97
NATURAL GAS Henry Hub \$/Million Btu	3.33	3.49	2.91

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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