



ENERGY ASSURANCE DAILY

Wednesday Evening, August 26, 2015

Electricity

Update: Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Restarts by August 25, Ramps Up to 82 Percent by August 26

The unit shut from full power on August 23 due to a single main steam isolation valve closure.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2015/20150824en.html>

Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi Reduced to 79 Percent by August 26

On the morning of August 25 the unit was operating at 94 percent.

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

Inland Empire Energy Center's 366 MW Gas-fired Unit 2 in California Shut by August 25

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201508251515.html>

D.C. Public Service Commission Rejects Exelon-Pepco Power Merger August 25

The D.C. Public Service Commission on Tuesday denied Exelon Corp's \$6.8 billion bid for Pepco Holdings Inc, sending a major blow to a deal that would have created the country's top power distributor. The three-member commission was the final regulatory hurdle for the deal, which was announced in April 2014. The proposed transaction had won approval from Delaware, Maryland, New Jersey, Virginia, and the Federal Energy Regulatory Commission. The companies, which have 30 days to ask the commission to reconsider its order, said they were disappointed in the decision and would review their options. If the commission rejects an application for reconsideration, the companies would then have the option of appealing the decision to the D.C. Court of Appeals.

http://www.dcpsc.org/esr/Merger_ExelonPepco_FC1119.asp

Reuters, 16:56 August 25, 2015

Entergy New Orleans to Build 1 MW Solar Project in Louisiana

Entergy New Orleans, Inc. has selected power generation contractor Blattner Energy, Inc. to build the city's first utility-scale solar project consisting of more than 4,000 solar panels and state-of-the-art battery storage technology. The project will allow Entergy New Orleans to study the feasibility of utility-scale solar generation in the city, and the extent to which battery storage can help compensate for cloud cover to provide power during peak demand periods. Construction is scheduled to start in early 2016.

<http://www.entergynewsroom.com/latest-news/entergy-new-orleans-selects-blattner-energy-build-solar-project/>

Southern Co Proposes \$8 Billion Acquisition to Purchase AGL Resources

Southern Co on Monday announced it would buy AGL Resources Inc for approximately \$8 billion in cash to build out its natural gas infrastructure and lower its dependence on power generation. The combined company will operate about 200,000 miles of electric lines and 80,000 miles of gas pipelines serving almost 9 million customers, and making Southern Co the number 2 U.S. utility by customer count after Exelon Corp. As part of the deal, Southern Co will gain access to AGL Resources' 5 percent stake in the 550-mile Atlantic Coast pipeline, which moves gas from the Marcellus shale field in Pennsylvania. AGL Resources distributes gas in Georgia, Illinois, Virginia, New Jersey, Florida, Tennessee, and Maryland. Southern Co owns utilities in Georgia, Alabama, Florida, and Mississippi. The AGL Resources deal will also support Southern Co's shift away from coal, prompted by U.S. environmental regulations. Ultimately, the deal will form a company with 11 regulated electric and natural gas distribution centers, Southern Co said.

<http://www.southerncompany.com/news/2015-08-24-so-agl-2.cshtml>

PREPA Negotiates Fuel and Natural Gas Supply Contracts for Power Plants in Puerto Rico

The Puerto Rico Electric Power Authority (PREPA) entered into two new contracts for supplying fuel oil and natural gas to its power plants, arrangements that will lead to substantial savings, the utility said on Tuesday. PREPA, which produces and distributes nearly all the electric power used in Puerto Rico, has entered into a No. 6 fuel oil supply contract with Freepoint Commodities LLC, which the utility said will save it \$25 million in decreased fuel adder charges during its initial one-year term. It also signed a Natural Gas Aprovevisionamiento SDG, S.A supply contract for its Costa Sur Power Plant with Natural Gas Fenosa, which PREPA said will lead to estimated savings of about \$30 million per year compared to its current arrangement. It expects to begin receiving deliveries under both contracts on October 1.

<http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/Noticias/noticias.asp>

Reuters, 15:04 August 25, 2015

Petroleum

Update: Alkylation Unit Shut Along with FCCU at PBF's 182,200 b/d Delaware City, Delaware Refinery – Source

PBF Energy Inc on Tuesday abandoned plans to bring in portable compressors to restart the 65,000 b/d fluidic catalytic cracking unit (FCCU) at its Delaware City refinery, a source familiar with plant operations said. The unit was shut following an explosion and fire on Friday. A 10,500 b/d alkylation unit was also shut down along with the FCCU. Both units are expected to remain down up to a month.

Reuters, 14:17 August 25, 2015

Phillips 66 Reports Operational Upset Due to Loss of Cooling Tower at Its 336,000 b/d Wood River, Illinois Refinery August 25

Phillips 66 reported its Wood River, Illinois refinery had an operational upset resulting from an upset in a cooling water tower on Tuesday night. The loss of coolant forced the plant to shut one gasoline-making unit and run a second one at reduced rates, a source familiar with plant operations said Wednesday. Phillips 66 said the facility was working to resupply cooling water to the impacted units using redundant cooling water supply from other towers.

Reuters, 9:07 August 26, 2015

U.S. Fuel Stocks Rise, Drive Prices Lower Despite Large Crude Draw – EIA

U.S. crude oil stockpiles fell sharply last week as imports tumbled, while gasoline and distillate inventories rose despite a reduction in refinery runs, data from the Energy Information Administration (EIA) showed on Wednesday. Crude inventories fell 5.5 million barrels in the week to August 21, the biggest one-week decline since early June and counter to analysts' expectations for an increase of 1 million barrels. U.S. crude imports fell last week by 740,000 b/d. Despite the unexpected fall in crude stocks, which was in line with EIA's report late on Tuesday, oil prices whipped lower following the data.

Reuters, 11:15 August 26, 2015

ExxonMobil's Receives Approval for \$225 Million Pollution Settlement in New Jersey

ExxonMobil Corp's \$225 million settlement with the administration of New Jersey Governor Chris Christie of a longstanding environmental pollution case won approval on Tuesday from a state judge. Judge Michael Hogan of the State Superior Court called the accord a "reasonable compromise given the substantial litigation risks" for the state at trial and on appeal, although the payout was not even 3 percent of the \$8.9 billion in damages sought. New Jersey wanted to hold ExxonMobil responsible for decades of natural resources contamination stemming from its refinery operations in Bayonne and Linden, as well as other facilities, including more than 1,700 gas stations.

http://www.downstreamtoday.com/news/article.aspx?a_id=48904

Natural Gas

Nothing to report.

Other News

Nothing to report.

International News

Update: Colombia's 220,000 b/d Cano Limon-Covenas Oil Pipeline Returns to Service after 67-Day Closure – Energy Minister

Colombia's Cano Limon-Covenas oil pipeline, the country's second-largest pipeline by volume, was functioning again after being offline for 67 days because of rebel attacks, the Mines and Energy Minister said on Wednesday. State-run oil company Ecopetrol operates the 485 mile pipeline, which runs from the northeastern province of Arauca to the Caribbean coast. The stoppage was the pipeline's longest since it began functioning in the 1980s. The government said this month that the halt was the primary reason the country did not reach its one million barrels per day production goal in July. The reopening will allow U.S.-based Occidental Petroleum Corp, whose crude oil is transported through the pipeline, to restart production operations at the Cano Limon and Caricare oil fields, which produce an average of 67,000 b/d.

Reuters, 11:54 August 26, 2015

Statoil's Polarled Gas Pipeline First to Cross Arctic Circle August 21

On August 21, Statoil's Polarled gas pipeline became the first pipeline to take the Norwegian gas infrastructure across the Arctic Circle opening a new gas highway from the Norwegian Sea to Europe. The 300-mile, 36-inch pipeline will run from Nyhamna in western Norway to the Aasta Hansteen field. Polarled is expected to begin shipping gas to Europe this fall.

http://www.statoil.com/en/NewsAndMedia/News/2015/Pages/21Aug_polarled.aspx

http://www.pipeline-journal.net/news/polarled-reports-first-pipeline-ever-cross-arctic-circle/?utm_source=ptj-news&utm_medium=e-mail&utm_campaign=2015-08-26

Energy Prices

U.S. Oil and Gas Prices			
August 26, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	38.48	40.70	93.52
\$/Barrel			
NATURAL GAS			
Henry Hub	2.70	2.71	3.92
\$/Million Btu			

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>

Please direct comments and questions to: ead@oe.netl.doe.gov