



ENERGY ASSURANCE DAILY

Wednesday Evening, September 10, 2014

Electricity

Update: 9,000 DTE Customers Remain without Power in Michigan September 9

Storms with heavy winds and lightning knocked out power to 375,000 DTE Energy customers in Michigan on Friday evening. As of 11:00 a.m. EDT today, approximately 9,000 customers remained without power. DTE expects the vast majority of affected customers will have their power restored by late tonight, but some individual service problems may not be restored until Thursday. DTE is tracking another storm likely to hit Wednesday afternoon that is likely to cause additional power outages that will affect thousands of customers.

<https://www.facebook.com/dteenergy?sk=wall>

<https://www2.dteenergy.com/wps/portal/dte/residential/problemsSafety/details/outage>

Update: Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi at Full Power by September 10

On the morning of September 9 the unit was operating at 78 percent, down from 98 percent on September 8.

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

Petroleum

Update: Petrobras Reports Operations Normal after Upset at Its 100,000 b/d Pasadena, Texas Refinery September 9

Petrobras on Tuesday reported operations were normalized at its refinery in Pasadena, Texas after an upset in an unspecified unit that led to flaring from the fluid catalytic cracker unit. The incident resulted in a release of particulate matter from the electrostatic precipitator stack, the company said in a filing with the Texas Commission on Environmental Quality.

Reuters, 16:02 September 9, 2014

Shell Reports Process Unit Upset at Its 327,000 b/d Deer Park, Texas Refinery September 9

Reuters, 23:55 September 9, 2014

Alon Receives Approval to Construct Rail Facility Its 70,000 b/d Bakersfield, California Refinery

Alon USA Energy, Inc. today announced it received the necessary approval from the Kern County Board of Supervisors to construct a new rail facility at the Bakersfield, California refinery and to make modifications to the refinery that will allow it to process light crude. The permit allows Alon to construct a double rail loop capable of receiving two unit trains per day of crude. Alon expects to provide information on the cost of constructing the new rail facility and the expected crude-by-rail volumes at the time of the third quarter 2014 conference call.

Construction of the rail facility is expected to be completed by the end of 2015.

<http://ir.alonusa.com/press-releases/detail/1714>

Reuters, 20:27 September 9, 2014

Gulf South Announces Open Season for 1.4 Bcf/d Natural Gas Transportation Project to Serve Freeport LNG's Planned Liquefaction Terminal in Texas

Gulf South Pipeline Company, LP, a subsidiary of Boardwalk Pipeline Partners, LP, announced today that it entered into 20-year firm precedent agreements with foundation shippers to transport approximately 1.4 Bcf/d of natural gas to serve the first two trains of the planned liquefaction terminal, announced by Freeport LNG Development, L.P., near Freeport, Texas. Freeport LNG has received its Final Order for the development of the liquefaction terminal from the Federal Energy Regulatory Commission (FERC) and anticipates receiving FERC's authorization to construct in the near future. Gulf South plans to construct an approximately 65-mile pipeline supply header to serve the liquefaction terminal, to be named the Coastal Bend Header, and expand and modify existing facilities in order to provide access to additional supply sources for the header. The anticipated start date would be in 2018. Gulf South's binding open season will end October 10, 2014. Final capital expenditures associated with this project will be determined after the open season has concluded and the final capacity of the pipeline is known.

<http://phx.corporate-ir.net/phoenix.zhtml?c=193443&p=irol-newsArticle&ID=1965707>

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas September 9

Regency reported broken tubing line on the fifth stage scrubber bottle caused the acid gas injector (AGI) compressor to shut down. The broken tubing line was repaired and the compressor was reset and restarted.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=203408>

ExxonMobil Reports Unit Shut at Its 65 MMcf/d Dollarhide Gas Plant in Texas September 8

ExxonMobil reported the P-9 unit experienced an emergency shutdown and the main breaker panel was found smoking. Operations shut in the flowing wells to reduce and mitigate emissions. The panel fuses were found to be damaged and the plant was awaiting the arrival of new fuses.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=203390>

Other News

Nothing to report.

International News

Saudi Arabia Reports 400,000 b/d Oil Cutback in August as Prices Fall

Saudi Arabia told the Organization of the Petroleum Exporting Countries (OPEC) it reduced its oil output in August by 400,000 b/d, a cutback coinciding with a drop in oil prices towards the kingdom's preferred level of \$100 per barrel. In a monthly report issued on Wednesday OPEC also cut its forecasts for demand for OPEC crude this year and next, pointing to a supply surplus of more than 1 million b/d in 2015 if OPEC keeps output at current levels. So far, OPEC officials have not expressed a pressing concern about the drop in prices, seeing it as a temporary dip and predicting prices will rise as higher seasonal demand kicks in due to colder weather.

Reuters, 11:12 September 10, 2014

Update: Nexen's 200,000 b/d Buzzard Oilfield in U.K. North Sea Shut Again September 10

Britain's North Sea Buzzard oilfield was shut down again on Wednesday, trade sources said, following outages on Sunday evening and Monday night. On Tuesday, Buzzard's operator Nexen said that the field was beginning to ramp up again following its Monday shutdown. By Wednesday morning production had reached about 100,000 b/d, according to traders, but the progress proved short-lived.

Reuters, 8:48 September 10, 2014

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| September 10, 2014 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 91.74 | 94.53 | 107.01 |
| NATURAL GAS Henry Hub \$/Million Btu | 3.94 | 4.01 | 3.56 |

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

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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