



ENERGY ASSURANCE DAILY

Wednesday Evening, September 25, 2013

Major Developments

Update: 433 Noble Energy Wells Remain Shut-in from Colorado Flooding September 24; Four Noble Spills Have Released 212 Barrels of Oil

Noble Energy continues to return facilities to production as conditions safely permit. As of the morning of September 24, the company had brought approximately 325 wells back online and approximately 433 wells are shut-in. This is down from 491 wells shut-in on September 21. Noble operates more than 8,000 wells in the Denver-Julesburg Basin. Throughout the flood recovery efforts, Noble has reported a total of four unintentional releases resulting from floodwaters to the appropriate regulatory agencies. Total combined volumes from these four releases were approximately 212 barrels of oil and approximately 30 barrels of produced water. All four releases have ceased. Recovery and repair efforts are ongoing.

<http://www.nobleenergyinc.com/Noble-Energy-Colorado-Operations-Update-344.html>

Electricity

Panda Power Acquires 750 MW Stonewall Power Project in Virginia September 24

Panda Power Funds announced Tuesday that it has acquired a majority interest in the planned 750 MW combined-cycle Stonewall power plant located in Loudoun County, Virginia. Panda expects the facility to enter commercial operations during the spring of 2017. The generating station will exclusively use pipeline quality natural gas to minimize particulate matter and air emissions. The plant has been designed in anticipation of greenhouse gas regulations and will easily meet the new carbon emissions standards recently proposed by the Environmental Protection Agency.

<http://newsroom.pandafunds.com/press-release/panda-power-funds-acquires-750-mw-virginia-power-project>

TVA Declares HPCI Inoperable at Its 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama September 24

TVA reported the high pressure coolant injection (HPCI) system was down at its Browns Ferry nuclear unit, in Alabama, due to the inoperability of the minimum flow valve.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130925en.html>

Update: PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Ramped Up to 35 Percent by September 25

On the morning of September 24 the unit was operating at 20 percent, according to the Nuclear Regulatory Commission.

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

Update: DTE's 1,089 MW Fermi Nuclear Unit 2 in Michigan Ramped Up to 69 Percent by September 25

On the morning of September 24 the unit was operating at 32 percent, according to the Nuclear Regulatory Commission.

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

U.S. Refined Fuel Exports Hit Record High of 3.37 Million b/d Last Week – EIA

U.S. exports of refined products rose to the highest level on record last week, according to data from the U.S. Energy Information Administration (EIA). For the week ending September 20, exports of all refined products was at 3.37 million b/d, a 5.7 percent increase from a month ago and a 17.5 percent increase from a year earlier, the data showed.

Reuters, 11:03 September 25, 2013

BP-Husky Cut Rates After SRU Thermal Oxidizer Damage at Its 125,600 b/d Toledo, Ohio Refinery September 24

BP Plc reported that rates were reduced due to suspected equipment damage in a sulfur recovery unit (SRU) thermal oxidizer at its refinery in Toledo, Ohio, according to a notice filed with the National Response Center. The SRUs at the refinery were shut on Tuesday due to a malfunction, according to sources familiar with operations at the refinery.

Reuters, 00:53 September 25, 2013

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1061069

Valero Says All Units Operating Normally After Power Outage at Its 180,000 b/d Memphis Refinery September 24

Valero Energy Corp. said all units at its refinery in Memphis, Tennessee, were back in operation after a brief power outage early last week. Bloomberg News had reported the refinery returned two crude units and a hydrotreater after the outage, while a 100,000 b/d fluid catalytic cracker was running at 42,000 b/d and repairs were being made on a sulfur recovery unit.

Reuters, 16:01 September 24, 2013

Valero Warns of Flaring Due to FCCU Work at Its 171,000 b/d McKee, Texas Refinery September 25

Valero Energy Corp. reported planned work on a fluid catalytic cracking unit (FCCU) valve might cause emissions at its McKee refinery in Sunray, Texas, according to a filing with state pollution regulators. The FCCU remains in operation and material impact to production is not expected, according to a company spokesperson.

Reuters, 10:46 September 25, 2013

Tesoro Reports Alkylation Unit Leak at Its 166,000 b/d Martinez, California Refinery September 23

Tesoro Corp. reported a leak in an alkylation unit at its Golden Eagle refinery in Martinez, California, on Monday, according to a filing with Contra Costa Health Services.

Reuters, 10:59 September 25, 2013

Freight Train Carrying Condensate, Lube Oil, and Ethanol Derails, Leaks Lube Oil in Saskatchewan September 25

A Canadian National Railway Co. westbound freight train derailed near the town of Landis, in Saskatchewan, sending 17 cars off the track, one of which was leaking lube oil. Crews immediately began a process using vacuum trucks to contain and reclaim the leaking product, a company spokesman said. There were no injuries and a small grass fire sparked by the derailment was extinguished, the Royal Canadian Mounted Police said. CN said two cars carrying condensate, three cars carrying lube oil, one car of ethanol and 11 cars carrying mixed freight came off the tracks in the early morning accident.

Reuters, 12:37 September 25, 2013

Alberta Orders Canadian Natural to Drain Lake to Clean Up Leak from Primrose East Oil Sands Site

Canadian Natural Resources Ltd has been ordered, by Alberta's environment department, to drain a lake on its Primrose East thermal oil sands site so that contamination on the lake's bottom can be cleaned up. The contamination came from a leak, which has not been stopped, and has been spilling tar-like bitumen for months. The leak, one of four on the project site, sprung up from an oil sands reserve produced by a process that melts bitumen with high-pressure steam so that it can be moved and processed. Canadian Natural reported in late June that bitumen was coming to the surface on the bottom of the lake although the environment department said water quality in the lake has not been affected.

<http://www.reuters.com/article/2013/09/24/canadiannatural-spill-order-idUSL2N0HK25N20130924>

Natural Gas

Applied Natural Gas Building 86,000 Gallon per Day LNG Production Platform in Texas

Applied Natural Gas Fuels, Inc. announced its plans to build a multi-liquefier liquefied natural gas (LNG) production platform in Midlothian, Texas. The platform will consist of up to five liquefiers with a production capacity of 86,000 LNG gallons per day per liquefier and a total on-site storage of 1.5 million LNG gallons. The Midlothian plant, which is expected to be operational in mid-2015, will focus on end users in the high-horsepower, trucking, oil and gas, rail, marine, remote power, and mining markets that currently use diesel fuel and are interested in converting to a lower-cost, cleaner-burning alternative.

<http://www.appliedlng.com/applied-natural-gas-fuels-inc-build-lng-production-platform-texas>

Enbridge Shuts-in Inlet Gas Due to Power Outage at Its Pittsburgh Gas Plant in Texas September 23

Enbridge Inc. reported its Pittsburgh gas plant in Texas, lost power on Monday. During the outage, the vapor recovery unit (VRU) compressor was down and the emissions normally captured by the VRU system were directed to the plant flare resulting in the emission event. The sulfur recovery unit (SRU) operation was also affected and had to be brought back into compliance. Enbridge operators shut-in inlet gas until power was restored and maintained the use of the thermal oxidizer and plant flare to minimize emissions. Once power was restored, the VRU compressor and SRU were returned to service.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=188605>

Enbridge Reports AGI Tripped at Its Tilden Gas Plant in Texas September 24

Enbridge Inc. reported the acid gas injector (AGI) no. 2 tripped on third stage high suction temperature at its Tilden gas plant, in Texas. Plant personnel who were investigating the cause of the trip discovered that due to vibration, a wire associated with the thermocouple transmitter unit had come loose. The wiring was re-tightened and AGI no. 2 was restarted and stabilized.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=188634>

Other News

Pinto Energy Announces 2,800 b/d Gas-to-Liquids Plant in Ashtabula, Ohio to Start-up in 2016

Pinto Energy LLC, a developer of smaller scale gas-to-liquids (GTL) facilities, announced its 2,800 b/d Ashtabula GTL project in Ohio. The plant will convert low-cost natural gas from the Utica and Marcellus shale region, into high value specialty products (solvents, lubricants, and waxes), as well as ultra clean transportation fuels. The plant design is expected to be complete at the end of 2013, and Pinto is seeking to start construction in the first half of 2014. Mechanical completion of the plant is expected in late 2015, with start-up in early 2016.

<http://pintogtl.com/pinto-energy-announces-ashtabula-gas-to-liquids-plant/>

International News

Mexico's CFE Declares Force Majeure on Manzanillo LNG Import Terminal After Hurricane Damage to Guadalajara Pipeline

CFE, a Mexican state power utility, declared force majeure late last week on imports into the Manzanillo liquefied natural gas (LNG) terminal after Hurricane Manuel damaged the Guadalajara Pipeline. The line is owned by TransCanada Corp. and links the terminal at Manzanillo to the natural gas grid. At least one LNG cargo scheduled to arrive at the terminal on September 21 had been delayed, according to CFE. TransCanada Corp. said service to its natural gas customers on that section of the pipeline had been temporarily suspended. Further cargo deliveries into the terminal may be delayed by at least one week but the pipeline issue should be resolved in that time.

http://www.downstreamtoday.com/news/article.aspx?a_id=40814

Energy Prices

U.S. Oil and Gas Prices			
September 25, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	103.03	107.30	92.41
NATURAL GAS Henry Hub \$/Million Btu	3.59	3.72	2.82

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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