



# ENERGY ASSURANCE DAILY

Friday Evening, September 26, 2014

## *Electricity*

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### **West Penn Power Completes Substation Upgrade in Pennsylvania**

West Penn Power, a FirstEnergy Corp. utility, announced today it completed a significant substation upgrade near Ryerson Station to help enhance customer service reliability in Greene County, Pennsylvania, and help support the electricity demand of local coal mines. The project included installing a new 73-ton transformer that converts power from 138-kV to 25-kV as it moves along the transmission system to serve customers. The new unit joins an existing, similarly sized transformer in the substation. Together, the two transformers will help provide added reliability in the event either unit would go off line for maintenance, repair, or from severe weather.

[https://www.firstenergycorp.com/content/fecorp/newsroom/news\\_releases/west-penn-power-completes-substation](https://www.firstenergycorp.com/content/fecorp/newsroom/news_releases/west-penn-power-completes-substation)

### **SCE Opens Tehachapi Energy Storage Project, Largest Battery Energy Storage Project in North America**

Southern California Edison (SCE) on Wednesday opened the Tehachapi Energy Storage Project, the largest battery energy storage project in North America, to modernize the grid to integrate more clean energy. The demonstration project was funded by SCE and federal stimulus money awarded by the Department of Energy as part of the American Recovery and Reinvestment Act of 2009. The 32 megawatt-hours battery energy storage system features lithium-ion batteries housed inside a 6,300 square-foot facility at SCE's Monolith substation in Tehachapi, California. The project was strategically located in the Tehachapi Wind Resource Area that was projected to generate up to 4,500 MW of wind energy by 2016. The project costs about \$50 million with matching funds from SCE and the energy department. Over a two-year period, the project will demonstrate the performance of the lithium-ion batteries in actual system conditions and the capability to automate the operations of the battery energy storage system and integrate its use into the utility grid. The battery system supplied by LG Chem is comprised of 604 battery racks, 10,872 battery modules, and 608,832 individual battery cells.

<http://newsroom.edison.com/releases/sce-unveils-largest-battery-energy-storage-project-in-north-america>

## *Petroleum*

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### **Tallgrass Energy's Pony Express Pipeline Announces Potential 400,000 b/d Expansion of Crude Oil Pipeline System**

Tallgrass Pony Express Pipeline, LLC on Thursday announced it was pursuing a potential expansion of its crude oil pipeline system to transport growing production in areas around its existing system receipt points. These areas include the Denver-Julesburg Basin in northeast Colorado and the Niobrara and Codell formations located in northeast Colorado and southeast Wyoming. Pony Express is also pursuing the expansion from Guernsey, Wyoming to receive additional Bakken Shale crude oil from its existing joint tariff partners and to accommodate growing Powder River Basin production. Discussions with prospective shippers were in progress concerning the terms of binding precedent agreements that, if executed, would result in such shippers becoming committed shippers on the expansion project. If it is able to obtain such written commitments, Pony Express would conduct a binding open season, likely in November 2014, seeking shipper commitments to transport crude oil to multiple potential delivery locations in and around Cushing, Oklahoma. The proposed expansion, which would be expected to be operational in the second half of 2016, involves the construction of new pipeline facilities to increase the current capacity of the Pony Express crude oil pipeline system by up to 400,000 b/d. Beginning in mid-2015 and until the new facilities are placed into service, committed expansion shippers would have access to an estimated 100,000 b/d of interim increased capacity on the current Pony Express system in proportion to their volumetric commitment to the expansion. This short-term capacity increase is expected to be primarily achieved through the use of drag reducing agent on the existing system.

<http://www.businesswire.com/news/home/20140925006319/en#.VCV3WfldW5g>

## Statoil Postpones 40,000 b/d Corner Oil Sand Development in Alberta

Statoil said on Thursday it would postpone development of its 40,000 b/d Corner oil sands project in Alberta, Canada, for at least three years because of rising costs and limited pipeline space. Corner would have been the second major development at Statoil's Kai Kos Dehseh property in northern Alberta. The company said its existing thermal oil sands operation, the 20,000 b/d Leismer project, is not affected by the postponement. Statoil said it decided to delay construction of the project because inflation was pushing up the cost of labor and materials, while tightness in pipeline space to the U.S. market was pushing down the price of its oil.

[http://www.statoil.com/en/NewsAndMedia/News/2014/Pages/25Sept\\_CornerPostponement.aspx](http://www.statoil.com/en/NewsAndMedia/News/2014/Pages/25Sept_CornerPostponement.aspx)  
[http://www.downstreamtoday.com/news/article.aspx?a\\_id=44649](http://www.downstreamtoday.com/news/article.aspx?a_id=44649)

## Natural Gas

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### Southern Union Reports Engines Shut at Its Keystone Gas Plant in Texas September 25

Southern Union reported the low pressure engines went down because the gas blanket on oil tanks was low and auto-oilers let oil levels get low. The oil tanks were pressured up and the engines were filled with oil and put back on.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=204213>

### DCP Midstream Reports Turbine Shut at Its 160 MMcf/d Goldsmith Gas Plant in Texas September 24

DCP Midstream reported that due to a high liquid level in the interstage scrubber and clogged raw gas inlet filters turbine B inadvertently shut down. Due to the sudden and unexpected shut down of turbine B, the Goldsmith plant experienced excessive pressure on the 500 pound sour gas flare stream. The Goldsmith plant called for gas to be shutout, operations made adjustments to the plant, and raw gas filters were changed out. Once turbine B was restarted, the flare event ended.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=204140>

## Other News

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Nothing to report.

## International News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
September 26, 2014			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	92.49	93.07	102.84
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.88	3.96	3.52

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**

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*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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