



ENERGY ASSURANCE DAILY

Monday Evening, December 14, 2015

Electricity

Snowstorm Knocks Out Power to 34,000 Customers in Oregon December 12–13

A snowstorm producing high winds knocked out power to 25,000 Pacific Power and 9,000 Midstate Electric customers in southern Oregon on Saturday night into Sunday. Pacific Power said it expected power to be restored by Tuesday. As of 3:30 p.m. EST, 6,158 Pacific Power and 2,040 Midstate Electric customers remained without power.

<https://www.pacificpower.net/ed/po/ooi.html>

<https://www.facebook.com/pacificpower>

<https://ebill.midstateelectric.coop/oms/outageMap>

<https://twitter.com/Midstatecoop>

<http://registerguard.com/rg/news/local/33855901-75/utility-crews-make-progress-against-power-outages-in-southern-central-oregon.html.csp>

Exelon's 1,116 MW Peach Bottom Nuclear Unit 2 in Pennsylvania Shut December 14

The unit was shut from full power to inspect and repair a steam valve.

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

Reuters, 10:39 December 14, 2015

TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Reduced to 75 Percent by December 14

On the morning of December 13 the unit was operating at 95 percent.

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

Southern Company's 299 MW Kay Wind Facility in Oklahoma Begins Operations December 14

Southern Company subsidiary Southern Power today announced its first wind project, the 299 MW Kay Wind facility in Kay County, Oklahoma, is fully operational. The electricity and associated renewable energy credits (RECs) generated by the facility will be sold under 20-year power purchase agreements with Westar Energy Inc. in Kansas and Grand River Dam Authority in Oklahoma.

<http://www.southerncompany.com/news/2015-12-14-spc-kay.chtml>

Butte County Approves Wind Quarry's 103 MW Wind Farm in South Dakota

Butte County commissioners approved an ordinance regulating wind farms after the South Dakota Public Utilities Commission last month approved a construction permit for a Wind Quarry, LLC's 103 MW Willow Creek Wind Energy Facility. The ordinance is meant to ensure that construction of a wind energy facility is consistent with the county's land use policies and to establish a fair process to review and approve applications. The facility to be built by Wind Quarry LLC will include 45 wind turbines and will interconnect to a 115 kV transmission line owned by the Western Area Power Administration. The farm could be operational as early as December 2017.

Reuters, 10:31 December 13, 2015

Coast Guard Reports Houston Ship Channel Re-opens after Chemical Fire December 14

The Houston Ship Channel was re-opened after a burning tanker prompted a nearly three-hour shutdown of a two-mile-long section of the port. The fire was extinguished nearly 90 minutes after it started, but the channel remained closed for nearly another 90 minutes as firefighters monitored the air to ensure no toxic fumes lingered, the Coast said. Earlier on Monday, flames were seen shooting from the tanker Navigator Europa, moored outside the Targa LPG export terminal, according to a source and Reuters vessel tracking data. The tanker was loading ethylene when the fire started. The shutdown held up three outbound ships and one inbound tugboat and barge, the Coast Guard said.

<https://twitter.com/USCGHeartland>

Reuters, 1:54 December 14, 2015

PES Returns FCCU to Full Operation at Its 335,000 b/d Philadelphia, Pennsylvania Refinery December 14 – Source

Philadelphia Energy Solutions (PES) returned a fluid catalytic cracker unit (FCCU) at the Girard Point section of its Philadelphia refinery to full rates after a compressor problem Sunday forced the unit to cut production rates, according to a source familiar with the situation on Monday. The company said it was still troubleshooting the problem, but a source called the issue manageable.

Reuters, 10:04 December 14, 2015

Phillips 66 Reports Cooling Tower Leak at Its 336,000 b/d Wood River, Illinois Refinery December 12

Phillips 66 reported a chemical leak developed on an injection to one of the cooling water towers on December 12, according to a filing with the National Response Center.

Reuters, 9:24 December 14, 2015

HollyFrontier Reports Flaring at Its 138,000 b/d El Dorado, Kansas Refinery December 12

HollyFrontier Corp reported flaring on December 12, according to a filing with the National Response Center.

Reuters, 9:13 December 14, 2015

Update: Reformer at BP's 413,500 b/d Whiting, Indiana Refinery Approaching Full Production Levels December 14 after Malfunction December 10 – Sources

A 60,000 b/d reformer was approaching full production levels on Monday after restarting on Sunday at BP Plc's Whiting, Indiana, refinery, said sources familiar with plant operations. The reformer, which is called the Ultraformer and converts refining byproducts into high-octane gasoline components, was shut due to a valve malfunction on Thursday, sources told Reuters last week. Work to restart the unit began on Friday. Overall, refinery production sustained little impact due to the unit's outage, the sources said.

Reuters, 12:56 December 14, 2015

Valero Reports Process Upset at Its 335,000 b/d Port Arthur, Texas Refinery December 11

Valero Energy Corp reported a process unit upset which caused flaring at its refinery at Port Arthur, Texas on Friday, according to a filing with the Texas Commission on Environmental Quality. The filing said operations personnel responded to address the issue and minimize potential impacts. Energy industry intelligence service Genscape on Sunday reported the shutdown of a 45,000 b/d hydrocracker at the refinery.

Reuters, 9:30 December 13, 2015

Valero Reports SRU Upset, Emissions at Its 89,000 b/d Three Rivers, Texas Refinery December 14

Valero Energy Corp reported a unit upset in the sulfur recovery unit (SRU) which released an unknown amount of sulfur dioxide to the air.

Reuters, 9:25 December 14, 2015

Tesoro Says Unplanned Maintenance Underway at Its 120,000 b/d Anacortes, Washington Refinery December 11

Tesoro Corp on Friday said unplanned maintenance was currently underway at its Anacortes, Washington refinery. The company said it expects to fulfill product supply commitments.

Reuters, 5:04 December 11, 2015

BP Reports Unit Shut, Excess Emissions at Its 225,000 b/d Cherry Point, Washington Refinery December 8

BP reported a unit shutdown and excess emissions on December 8 at its Cherry Point, Washington refinery. The company also reported excess emissions during the shutdown process on December 7.
Reuters, 4:53 December 11, 2015

U.S. Rig Count Declines by 28 to 709 December 11 – Baker Hughes

Oilfield services company Baker Hughes Inc. said the number of rigs exploring for oil and natural gas in the U.S. declined by 28 to 709 for the week ending December 11. Baker Hughes said Friday that 524 rigs were seeking oil and 185 explored for natural gas. A year ago, with oil prices almost double the prices now, 1,893 rigs were active.
Reuters, 4:01 December 11, 2015

Hilcorp Energy Files Development Plan for Liberty Project in Beaufort Sea December 13

Hilcorp Alaska, LLC filed a Development and Production Plan with the Bureau of Ocean Energy Management for the Liberty Project. Filing of the plan is the first of many steps in the permitting process, which entails multiple approvals at the local, state, and federal levels and is expected to take more than two years. A final analysis and decision to proceed with the project will be made after all the necessary permits have been issued. The plan calls for construction of a self-contained island connected to land by a subsea pipeline. The 9.3-acre, manmade Liberty Island will take an estimated two years to construct. The island will have facilities for drilling, production, production support, utilities, camp, and relief-well area. Located 15 miles east of Prudhoe Bay in Foggy Island Bay, Liberty Island will sit about six miles offshore in 19 feet of water. The company projects a peak production rate of up to 70,000 b/d of oil within two years of initial production. Over 15 to 20 years, the company predicts it would yield 80 to 150 million barrels of oil. Partners in the Liberty Project include Hilcorp Alaska, BP Exploration, and ASRC Exploration.

<http://www.hilcorp.com/news/hilcorp-files-development-plan-liberty-project>

Natural Gas

Regency Reports AGI Compressor Shut at Its 290 MMcf/d Waha Gas Plant in Texas December 12

Regency reported the acid gas injector (AGI) compressor shut on high fourth stage scrubber level. The scrubber level was reduced and the AGI compressor was reset and restarted.

<http://www2.tceq.texas.gov/oce/ee/index.cfm?fuseaction=main.getDetails&target=224284>

NEXUS Gas Transmission Files Formal Application for 1.5 Bcf/d Gas Pipeline from Ohio to Ontario

NEXUS Gas Transmission filed its formal application for federal approval of its planned 1.5 Bcf/d gas pipeline, citing a projected surge in production in eastern Ohio and surrounding states and an expected demand for gas from electric utility companies for why the pipeline is needed. The company hopes to have the pipeline built and ready to transport gas from the Marcellus and Utica shale fields by November 2017. The 255-mile, 36-inch pipeline would run between eastern Ohio and a large gas facility in Ontario, Canada. NEXUS is a joint venture between Spectra Energy and DTE Energy.

<http://www.nexusgastransmission.com/>

Reuters, 11:31 December 14, 2015

Other News

Landmark Climate Agreement Reached at Global Summit in Paris December 12

France's Foreign Minister on Saturday announced an agreement was made at the global climate summit in Paris, setting the course for a historic transformation of the world's fossil fuel-driven economy within decades in a bid to arrest global warming. The agreement was called the first truly global climate deal, committing both rich and poor nations to reining in rising emissions blamed for warming the planet, it sets out a sweeping, long-term goal of eliminating net manmade greenhouse gas output this century. It also creates a system to encourage nations to step up voluntary domestic efforts to curb emissions, and provides billions more dollars to help poor nations cope with the transition to a greener economy powered by renewable energy.

<http://www.reuters.com/article/us-climatechange-summit-idUSKBN0TV04L20151213>

International News

Shell Says Its Trans Niger Pipeline in Nigeria Has Been Shut since November 22

Royal Dutch Shell said on Monday its Trans Niger Pipeline, or TNP, in Nigeria has been shut since a November 22 incident in which four contractors died during an operation to remove crude oil theft points. The TNP feeds the Bonny export terminal from which oil traders say crude oil cargoes have been subject to delays.

Reuters, 12:11 December 14, 2015

Energy Prices

U.S. Oil and Gas Prices			
December 14, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	36.26	37.59	58.12
NATURAL GAS Henry Hub \$/Million Btu	1.77	2.09	3.68

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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