Refinery Events

July 27, 2012—August 2, 2012

The following events were obtained from the Department of Energy (DOE) website:

Valero Shuts FCCU to Repair Compressor at Its 144,000 b/d Benicia, California Refinery July 26

Valero Energy Corp. reported emissions at its Benicia refinery on Thursday resulted when operators shut a fluid catalytic cracking unit (FCCU) to repair a compressor. Operators expected the FCCU would remain down for several days.

Reuters, 09:56 July 27, 2012. Posted to DOE website 7-27-12.

SRU, SCOT Unit Shutdowns Lead to Emissions at Valero's 310,000 b/d Port Arthur, Texas Refinery July 26

Valero Energy Corp. reported the shutdown of a sulfur recovery unit (SRU) and a shell claus off-gas treating (SCOT) unit led to sulfur dioxide emissions at its Port Arthur refinery Thursday, according to a filing with the Texas Commission on Environmental Quality. The filing does not indicate why the two units were shut down. The cause of the emissions was under investigation, the filing said.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=171566 Posted to DOE website 7-27-12.

FCCU Snag Briefly Triggers Flaring at BP's 455,790 b/d Texas City, Texas Refinery July 26

BP Plc reported a snag in a fluid catalytic cracking unit (FCCU) briefly triggered flaring at its Texas City refinery Thursday morning, according to a filing with the Texas Commission on Environmental Quality. Operators were investigating the cause of the flaring at the time of the filing.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=171554 Posted to DOE website 7-27-12.

Alon Reports Flaring during Compressor Repairs at Alon's 67,000 b/d Big Spring, Texas Refinery July 26

Alon USA Energy reported flaring at its Big Spring refinery Thursday morning was caused when operators were correcting an electrical issue on a compressor, according to a filing with the Texas Commission on Environmental Quality. There was no significant impact on operations, the filing said.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=171560 Posted to DOE website 7-27-12.

Sunoco Shuts Alkylation Unit at Its 335,000 b/d Philadelphia, Pennsylvania Refinery July 22 Due to Leak; Shuts FCCU July 23 Due to High Vibrations

Sunoco Inc. shut alkylation unit No. 869 at the Point Breeze section of its Philadelphia refinery on July 22 due to a leak on the m104 mixer, Philadelphia pollution regulators said on Friday. The filing said also that a low sulfur gasoline unit at the refinery remained shut after it failed to restart, and that operators shut fluid catalytic cracking unit (FCCU) No. 868 at the Point Breeze section of the refinery on July 23 due to high vibrations. Reuters, 16:24 July 27, 2012

Reuters, 16:25 July 27, 2012. Posted to DOE website 7-30-12.

PBF Energy Reports CO Boiler Failure at Its 190,000 b/d Delaware City, Delaware Refinery July 27

PBF Energy Inc. reported a carbon monoxide (CO) boiler failure occurred at its Delaware City refinery Friday night, according to a filing with state pollution regulators.

Reuters, 19:21 July 27, 2012. Posted to DOE website 7-30-12.

Update: Coker Damaged by Fire July 23 to Remain Shut 2–4 Weeks for Repairs at BP's 413,000 b/d Whiting, Indiana Refinery – Sources

A coker damaged by a fire at BP Plc's Whiting refinery July 23 will likely remain shut for repairs for the next 2–4 weeks, according to sources familiar with refinery operations. BP has said only that a brief fire occurred in "a part" of the plant last Monday, and it has declined to comment on the repair work. The company said it was still investigating the cause of the fire.

Reuters, 13:23 July 27, 2012. Posted to DOE website 7-30-12.

Unspecified Unit Upset Leads to Flaring at Citgo's 167,000 b/d Lemont, Illinois Refinery July 27

Citgo Petroleum Corp. reported it shut an unspecified unit after an upset at its Lemont refinery led to flaring late Friday, according to a filing with the Illinois Emergency Management Agency. Reuters, 10:29 July 30, 2012. Posted to DOE website 7-30-12.

Compressor Shutdown Triggers Flaring at Phillips 66's 362,000 b/d Wood River, Illinois Refinery July 29

Phillips 66 reported a compressor shutdown triggered flaring at its Wood River refinery Sunday, according to a filing with state pollution regulators.

Reuters, 04:00 July 30, 2012. Posted to DOE website 7-30-12.

FCCU Snag Leads to Emissions at Motiva's 236,400 b/d Norco, Louisiana Refinery July 27

Motiva Enterprises reported a relief valve briefly malfunctioned on a fluid catalytic cracking unit (FCCU) at its Norco refinery Friday morning, causing a release of butadiene, according to a filing with the U.S. National Response Center.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1019127_Posted to DOE website 7-30-12.

ExxonMobil Reports Normal Operations after HCU Snag at Its 572,500 b/d Baytown, Texas Refinery July 30

ExxonMobil Corp. on Monday said its Baytown refinery was operating normally following a hydrocracker unit (HCU) snag, which operators reported after a power interruption at a substation. Reuters, 11:25 July 30, 2012. Posted to DOE website 7-30-12.

NuStar Completes New 70,000 b/d Train Offloading Facility at Its St. James, Louisiana Terminal; Plans to Build Second Offloading Facility to Meet Customer Demand

NuStar Energy LP on Friday reported the new unit train offloading facility at its St. James, Louisiana terminal will accept one 70,000-barrel train per day, according to an executive during an earnings call. It plans to add a second rail car offloading unit train facility at the terminal due to customer demand. Growing shale oil production from the Bakken play in North Dakota, where there is limited pipeline capacity, depends on train service for delivery to terminals outside the region.

http://www.reuters.com/article/2012/07/27/nustar-stjames-expansionidUSL2E8IR3Y820120727? type=companyNews&feedType=RSS&feedName=companyNews&rpc=43 http://www.reuters.com/article/2012/07/27/pipeline-operations-nustar-trainidUSL2E8IR3JI20120727? feedType=RSS&feedName=rbssEnergyNews&rpc=43 Posted to DOE website 7-30-12.

<mark>Railroads Move 38 Percent More U.S. Crude</mark> Oil and Petroleum Products over Last Year – EIA

The U.S. Energy Information Administration (EIA) has reported that railroads moved 38 percent more U.S. crude oil and petroleum products during the first half of 2012 compared with 2011, largely as a result of increased oil production from North Dakota's Bakken formation, where pipeline capacity is limited. In June railroads moved 51 percent more crude oil and petroleum products than a year earlier. The Association of American Railroads reported nearly 241,000 rail tanker cars were moving product during January–June 2012, as compared with 174,000 tanker cars during the same period in 2011.

http://www.ogj.com/articles/2012/07/eia-railroads-move-more-crude-oil-in-first-half.html Posted to DOE website 7-30-12.

Citgo Shuts FCCU Due to an Equipment Issue at Its 167,000 b/d Lemont, Illinois Refinery July 28

Citgo Petroleum Corp. reported a fluid catalytic cracking unit (FCCU) at its Lemont refinery was shut for maintenance following an equipment issue last Saturday, according to a company official. Citgo expects to complete repairs within the week, the official said.

Reuters, 14:06 July 30, 2012. Posted to DOE website 7-31-12.

<mark>Update:</mark> Sunoco May Restart FCCU at Its 335,000 b/d Philadelphia, Pennsylvania Refinery July 31 – Source

Sunoco Inc. may restart a fluid catalytic cracking unit (FCCU) today at its Philadelphia refinery, according to a source with knowledge of the situation. Sunoco had reported it shut FCCU No. 868 at the Point Breeze section of the refinery on July 23 due to high vibrations, according to a filing with Philadelphia pollution regulators. Reuters, 10:28 July 31, 2012

http://www.bloomberg.com/news/2012-07-31/gasoline-falls-as-sunoco-refinery-unit-enbridge-pipe-may-start.html Posted to DOE website 7-31-12.

Update: Valero Says Crude Unit Fire at 135,000 b/d Meraux, Louisiana Refinery July 23 Was Likely Caused by Attempts to Restart Units after Power Outage July 20

Valero Energy Corp. has said that attempts to restart units at its Meraux refinery on July 21 after a power outage the night before likely led to the July 23 fire in the refinery's crude unit, according to a filing with the Louisiana Department of Environmental Quality. Valero has kept all units in the refinery shut for assessment and repairs since the fire.

http://www.nola.com/environment/index.ssf/2012/07/valero energy corps refinery f.html Posted to DOE website 7-31-12.

Process Unit Trip Leads to Emissions at BP's 225,000 b/d Cherry Point, Washington Refinery July 30

BP Plc reported a process unit tripped to the No. 1 incinerator for unknown reasons at its Cherry Point refinery Monday morning, releasing sulfur dioxide to the atmosphere, according to a filing with the U.S. National Response Center. Operators reduced and minimized rates, stabilizing the process unit, but the release had not yet been secured at the time of the filing.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1019375_Posted to DOE website 7-31-12.

Update: PBF Restarts CO Boiler at Its 190,000 b/d Delaware City, Delaware Refinery July 27

PBF Energy Inc. reported it restarted a carbon monoxide (CO) boiler at its Delaware City refinery shortly after its failure on Friday. The company had reported a CO boiler failure Friday night in a filing with state pollution regulators.

Reuters, 13:17 July 30, 2012. Posted to DOE website 7-31-12.

Update: BP to Upgrade Crude Unit at 413,000 b/d Whiting, Indiana Refinery to Process More Heavy Crude; Part of Refinery Will Be Offline during Fourth Quarter 2012

BP Plc on Tuesday announced new details involved in its Whiting Refinery Modernization Project, according to reports. BP's modernization project involves repositioning Whiting to run heavier oil and increase gasoline and diesel production by about 40,000 b/d, according to the refinery's website. It involves a new crude distillation unit, a 100,000 b/d coker, new gas oil hydrotreating and sulfur recovery units, and infrastructure improvements. BP reported Tuesday that part of the refinery will go offline during the fourth quarter of this year so operators can reconfigure the largest of three crude units. The company hopes to complete the modernization project by the second quarter of 2013.

http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/A/abp_refineries_whiting_r efinery_modernization_project_dec2011.pdf

http://www.foxbusiness.com/news/2012/07/31/bp-whiting-refinery-seen-offline-from-4q-to-mid-2013-cfo/ http://www.nwitimes.com/business/local/bp-sets-whiting-refinery-upgrade-details/article_0f4ee647-c3ca-59d7a2a4-b730e39db6f5.html_Posted to DOE website 7-31-12.

Update: Valero to Restore Full Operations at Its 125,000 b/d Meraux, Louisiana Refinery by August 31

Valero on Tuesday said it plans to restore full operations at its Meraux, Louisiana refinery by the end of August, although some units will restart as early as next week, according to reports. Valero has kept all units at the refinery shut for assessment and repairs since July 23, when a fire broke out in a crude unit. <u>http://www.reuters.com/article/2012/07/31/refinery-operations-valero-idUSL2E8IV62420120731</u> Posted to DOE website 8-1-12.

Update: Valero Says FCCU Will Remain Shut until Mid-August after Compressor Malfunction at Its 144,000 b/d Benicia, California Refinery

Valero Energy Corp. on Tuesday said it expects the fluid catalytic cracking unit (FCCU) at its Benicia refinery to return to service in mid-August, a spokesman said in an email. Valero shut the unit July 26 after a compressor malfunction.

http://www.reuters.com/article/2012/07/31/refinery-operations-valero-idUSL2E8IV62420120731 http://www.bloomberg.com/news/2012-07-31/san-francisco-gasoline-jumps-after-valero-shutsunit. html?cmpid=yhoo Posted to DOE website 8-1-12.

Update: Phillips 66 Says It Will Not Sell Its 247,000 b/d Belle Chasse, Louisiana Refinery as Falling Premiums for LLS Crude Improve Economics

Phillips 66 on Wednesday said it has decided not to sell its Alliance refinery in Belle Chasse, Louisiana, according to its second-quarter earnings release. The company had been considering whether to sell the refinery, which processes light-sweet crude, since late last year. The falling price of Light Louisiana Sweet (LLS), whose shrinking premium over West Texas Intermediate (WTI) crude could continue as more WTI crude comes to the Gulf Coast via new pipeline and rail infrastructure, have made the facility more valuable. Phillips 66 said it has decided to keep the refinery "as Gulf Coast sweet crude feedstock costs are expected to improve over the long term." http://in.reuters.com/article/2012/08/01/refinery-operations-phillips-idINL2E8J15P520120801 Posted to DOE website 8-1-12.

<mark>Valero Delays Hydrocracker Projects</mark> at Refineries in Port Arthur, Texas and Norco, Louisiana

Valero Energy Corp. on Tuesday said two hydrocracker projects underway at its refineries in Texas and Louisiana have been delayed a month or two but are on track for completion over the next year, according to the company's CEO. Valero aims to bring the hydrocracker project at its 310,000 Port Arthur, Texas refinery to full rates in the fourth quarter this year after completing mechanical work in the third quarter. The company is planning to conduct similar mechanical work at its 205,000 b/d Norco, Louisiana refinery at the end of this year, and expects the hydrocracker to reach full operation in the second quarter of 2013. The two projects are designed to raise diesel production at the refineries.

http://www.reuters.com/article/2012/07/31/refinery-operations-valero-idUSL2E8IV62420120731 Posted to DOE website 8-1-12.

Fire Shuts Diesel Hydrotreater at HollyFrontier's 125,000 b/d Tulsa, Oklahoma Refinery August 2

HollyFrontier reported its emergency response team had contained a fire at its Tulsa East refinery Thursday morning. The Oklahoma Department of Environmental Quality on Thursday said the fire occurred at a diesel hydrotreater unit at the refinery, according to a statement. Local reports said a large fire caused a loud explosion sometime before 3:00 AM local time. The cause of the fire was under investigation. Reuters, 11:45 August 2, 2012

http://www.washingtonpost.com/national/fire-crews-battle-fire-at-oil-refinery-in-tulsa-okla-neighbors-reportedlyheard-explosion/2012/08/02/gJQAlSVIRX_story.html http://online.wsj.com/article/BT-CO-20120802-717983.html Posted to DOE website 8-2-12.

Phillips 66 Reports FCCU Emissions During Rapper System Repairs at Its 247,000 b/d Sweeny, Texas Refinery August 2

Phillips 66 reported it would on Thursday begin repairs to fix a short circuit detected this week at its Sweeny refinery, according to a filing with the Texas Commission on Environmental Quality. The short circuit was causing a portion of the rapper system to operate abnormally and had ultimately led to emissions, the filing said. After locating the problem and making the necessary repairs, operators will return the system to service. The filing lists a fluid catalytic cracking unit (FCCU) as a source of emissions, which were expected to continue until August 9. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=171741 Posted to DOE website 8-2-12.

HDS Unit Snag Leads to Emissions at Valero's 142,000 b/d Corpus Christi, Texas Refinery August 1

Valero Energy Corp. on Wednesday reported a compressor malfunction on hydro desulphurization (HDS) No. 12 caused emissions early Wednesday morning, according to a filing with the Texas Commission on Environmental Quality.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=171772 Posted to DOE website 8-2-12.

Compressor Trip Triggers Flaring at Chevron's 245,271 b/d Richmond, California Refinery August 1

Chevron Corp. reported a flaring event after a compressor tripped offline at its Richmond, California refinery on Wednesday, according to a filing with state pollution regulators. There had been no impact to the community, the filing said.

http://www.reuters.com/article/2012/08/01/refinery-operations-chevron-richmondidUSEMS071MHX20120801? feedType=RSS&feedName=rbssEnergyNews&rpc=43 Posted to DOE website 8-2-12.

Phillips 66 Receives Mississippi Lime Crude Oil at Its 198,400 b/d Ponca City, Oklahoma Refinery; Works to Increase Use of U.S. Midcontinent Crude Oil at Its Refineries

Phillips 66 CEO Greg Garland on Wednesday detailed plans the company has to increase the amount of crude its refineries receive from the U.S. Midcontinent region. "We're looking at pipeline, rail, truck, and barge—any way we can get advantaged crude there," Garland said during a call with investors. The company's 198,400 b/d Ponca City refinery in Oklahoma is receiving crude oil from the Mississippi Lime shale formation, and its 247,000 b/d Alliance refinery in Belle Chasse, Louisiana is receiving Midcontinent crude oil. Phillips 66 will also expand the export capacity of the Alliance refinery to about 220,000 b/d by 2013, Garland said. DJN, 11:24 August 1, 2012. Posted to DOE website 8-2-12.