Refinery Events

June 8, 2012– June 14, 2012

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

**Update:** Motiva Continues to Address Corrosion Issue in Fuel Gas System at Its 600,000 b/d Port Arthur, Texas Refinery

Motiva Enterprises on Friday provided an update on its progress addressing previously announced corrosion issues on some piping in the plant’s fuel gas system in a filing with the Texas Commission on Environmental Quality. To remedy the corrosion issue and perform necessary repairs, operators were planning to temporarily place into service three compressors at the West Side Gas Plant (WSGP). The use of the WSGP compressors will help maintain fuel gas system reliability and reduce the potential for a fuel gas flaring event during the maintenance work, the filing said. Motiva submitted a similar notification for the compressors on April 23, 2012, and the follow-up filing today was submitted because the maintenance work identified in the prior notice has not been completed.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=169426

Posted to DOE website 6-8-12.

**Citgo Reduces Rates Due to SRU Upset at Its 163,000 b/d Corpus Christi, Texas Refinery**

June 7

Citgo reported a sulfur recovery unit (SRU) upset at its West Plant Thursday morning, according to a filing with the Texas Commission on Environmental Quality. Operators reduced West Plant unit rates to reduce the production of sour gas as they worked to stabilize the amine system and SRU unit.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=169414

Posted to DOE website 6-8-12.

**Coker Compressor Malfunction Causes FCCU Emissions at Delek’s 60,000 b/d Tyler, Texas Refinery**

June 7

Delek reported a mechanical malfunction at the coker compressor led to emissions from the No. 2 fluid catalytic cracking unit (FCCU) flare at its Tyler refinery Thursday, according to a filing with the Texas Commission on Environmental Quality. Operators immediately began making necessary repairs to the coker unit, the filing said.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=169429

Posted to DOE website 6-8-12.

**Misaligned Vent Causes Emissions at Shell’s 329,800 b/d Deer Park, Texas Refinery**

June 2

Shell Oil Co. on Thursday reported emissions of hydrogen, nitrogen, and volatile organic compounds from catalytic reformer No. 3 at its Deer Park refinery after workers discovered the reformer’s regeneration vent from the caustic water wash column was routed to the atmosphere instead of the EP flare on June 2. Operators returned the vent to its proper alignment to correct the problem.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=169428

Posted to DOE website 6-8-12.

**Motiva Reports Emissions after a Flare Goes Out at Its 236,400 b/d Norco, Louisiana Refinery**

June 7

Motiva Enterprises reported emissions of volatile organic compounds and hydrogen sulfide at its Norco refinery just after midnight Thursday after a flare went out, according to a filing with the U.S. National Response Center. The filing does not specify which units were involved in the incident.


Posted to DOE website 6-8-12.

**Update:** CDU Restart Halted at Motiva’s 600,000 b/d Port Arthur, Texas Refinery June 10; Unit Repairs, Shutdown Could Last 5 Months – Source
Motiva Enterprises LLC is assessing damage to the newly commissioned 325,000 b/d crude distillation unit (CDU) at its Port Arthur refinery after abandoning restart procedures this weekend, a source familiar with refinery operations told Bloomberg News. Operators shut the CDU on June 4 to repair a leaking valve. Motiva reported it restored the CDU to production on Saturday in filings with the Texas Commission on Environmental Quality (TCEQ). The source told Bloomberg News today, however, that the startup was cancelled after the unit developed leaks, cracks in pipes, and a fire in a heater. A TCEQ filing Saturday confirmed that an uncontrolled combustion occurred within the unit’s furnace, resulting in emissions at the refinery.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=169481
http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=169474
Posted to DOE website 6-11-12.

**Phillips 66 to Develop Rail Capacity to Increase Shipments of Bakken and Niobrara Shale Crudes by at Least 100,000 b/d within 2 Years – CEO**

Phillips 66 plans to purchase as many as 2,000 railroad tank cars within the next 2 years to ship oil from U.S. shale fields to its refineries, Chairman and CEO Greg Garland said at a recent industry conference. Garland said the company wants to develop its rail capacity to ship crude oil from the Bakken Shale and Niobrara Shale in the Central United States to points either east or west. The company currently refines about 100,000 b/d of shale crudes, but it could handle 500,000 b/d, Garland said. Phillips intends to increase delivery of shale crudes to its refineries by 100,000–150,000 b/d within 2 years using railroad unit trains. The typical unit train has 100 cars that each carry approximately 750 barrels of crude oil.

Posted to DOE website 6-11-12.

**Update: Service Begins at Rangeland Energy’s Crude Oil Loading Terminal in North Dakota’s Bakken Shale**

Rangeland Energy, LLC announced today that the company’s COLT facility is in service in North Dakota’s Bakken Shale. The COLT terminal provides refiners, marketers, and producers with outbound service by unit train and through the COLT Connector, a 21-mile, bidirectional pipeline that links the COLT terminal with multiple existing and planned pipelines at Rangeland’s Dry Fork Terminal near Tioga, North Dakota, including the Tesoro and Enbridge pipeline systems. Served by BNSF Railway Company, the COLT Hub loads unit-train shipments of crude oil bound for markets throughout North America, including crude oil receiving terminals along the Gulf Coast. The first unit train filled with crude oil departed the COLT facility on June 5. COLT’s initial 720,000 barrels of working storage capacity is expected to expand as Bakken production increases. Initial rail export capacity is 120,000 b/d. In addition, the COLT Connector has the capacity to move an additional 75,000 b/d.


**Sunoco Restarts Isomerization Unit at Its 335,000 b/d Philadelphia, Pennsylvania Refinery June 7**

Sunoco Inc. reported it restarted a 331 isomerization unit on Thursday at the Girard Point section of its Philadelphia refinery, according to a notice with Philadelphia pollution regulators. Operators shut the unit on Wednesday, according to the filing.


**FCCU Operating at Reduced Rates after Blower Malfunction at Valero’s 310,000 b/d Port Arthur, Texas Refinery June 8**

A fluidic catalytic cracking unit (FCCU) at Valero’s Port Arthur refinery was operating at reduced rates after blowers tripped offline Friday night, according to a company spokesman. The company does not expect any material impact to production, the spokesman said. An FCCU malfunctioned and was taken out of production on Friday at the refinery, according to a notice filed with Texas Commission on Environmental Quality.

Reuters, 09:51 June 11, 2012
Seal Failure Causes Naphtha Spill at BP’s 455,790 b/d Texas City, Texas Refinery June 9
BP Plc reported a seal failure occurred on the J6 Naphtha pump at its Texas City refinery late Saturday night, according to a filing with the Texas Commission on Environmental Quality. Approximately 20 gallons spilled onto a concrete pad. Operators closed multiple valves to stop the leak at the seal, and a vacuum truck was used to recover product. The cause of the seal failure was under investigation at the time of the filing.

Unit Upset Leads to Flaring at ExxonMobil’s 238,600 b/d Joliet, Illinois Refinery June 10
ExxonMobil Corp. reported an unspecified unit upset at its Joliet refinery led to flaring Sunday night, according to a filing with the U.S. National Response Center. Operators were still working to correct the situation at the time of the filing.

Equipment Failure Leads to Sulfur Dioxide Emissions at Phillips 66’s 100,000 b/d Ferndale, Washington Refinery June 10
Phillips 66 reported equipment failure at its Ferndale refinery led to emissions of sulfur dioxide Sunday night, according to a filing with the U.S. National Response Center. The filing does not specify what equipment failed, but operators were able to secure the release by the time of the filing.

Operational Issue Leads to Flaring at Shell’s 156,400 b/d Martinez, California Refinery June 8
Shell Oil Co. said it addressed the operational issue that led to flaring on Friday at its Martinez refinery in California, according to a spokeswoman. The company declined to discuss the units involved.

Update: Motiva Says Mechanical Issues Led to Unplanned Unit Shutdown at Its 600,000 b/d Port Arthur, Texas Refinery
Motiva Enterprises said on Monday a mechanical issue resulted in an unplanned shutdown of an unspecified unit at its Port Arthur refinery, but operators are working to understand the cause of the problem and to move toward full operations, according to a statement. “This unplanned unit shutdown is unfortunate, but we will resume normal operations as soon as it is appropriate to do so,” the statement said. Two sources familiar with operations said the refinery twice failed to restart a new, 325,000 b/d crude distillation unit (CDU) over the weekend and operators subsequently discovered issues that will take at least 2 months and potentially up to 5 months to repair. The refinery’s other, 275,000 b/d CDU continues to operate.

Update: CDU Nearing Normal Rates after Weekend Restart at BP’s 413,000 b/d Whiting, Indiana Refinery – Source
The smallest of three crude distillation units (CDUs) at BP Plc’s Whiting refinery is nearing normal rates after restarting over the weekend, a source familiar with operations said on Monday. Operators shut the 75,000 b/d CDU on June 1 for repairs.

Delek Shuts SRU after Mechanical Malfunction, Emissions at Its 60,000 b/d Tyler, Texas Refinery June 10
Delek U.S. Holdings reported excess emissions from a sulfur recovery unit (SRU) on Sunday due to a mechanical malfunction at its Tyler refinery, according to a filing with the Texas Commission on Environmental Quality. Operators re-routed all acid gas to another SRU at the facility, the filing said. A filing with the U.S. National Response Center on Sunday similarly reported operators at the Tyler refinery shut an unspecified unit due to an equipment malfunction, which resulted in sulfur dioxide emissions. Operators routed feed to another furnace.

Unspecified Equipment Failure Leads to Emissions at Valero’s 142,000 b/d Corpus Christi, Texas Refinery June 11
Valero Energy Corp. reported an unspecified equipment failure at the East Plant of its Corpus Christi refinery early Monday morning led to emissions of carbon monoxide and hydrogen sulfide, according to a filing with the U.S. National Response Center. Operators were working to secure the release at the time of the filing.

Blue Dolphin Purchases Option to Acquire Lazarus Energy’s Idled 40,000 b/d Ingleside, Texas Refinery
Blue Dolphin Energy Company yesterday announced its purchase of a 180-day option to acquire an idled refinery located in Ingleside, Texas from Lazarus Energy Holdings, LLC, its largest shareholder. The refinery was constructed between 1978 and 1980 and was operated only intermittently thereafter. During its operating phase the refinery had an operating capacity of approximately 40,000 b/d, producing naphtha, jet fuel, kerosene diesel, and fuel oil. All of the refinery’s tanks, vessels, pumps, piping, wiring, instrumentation, and equipment will require inspection, repair, and/or replacement prior to operation.

Production Unaffected by Brief Fire at ExxonMobil’s 149,500 b/d Torrance, California Refinery June 11
ExxonMobil Corp. said production at its Torrance refinery was unimpaired after a brief fire Monday afternoon. Officials said that vacuum gasoil was found leaking from a transmission line where the fire started, but an investigation into the cause of the fire was still underway. The transmission line is not associated with any specific unit, the official said.

Update: Delta Set to Close on Trainer, Pennsylvania Refinery Deal by June 22; Begin Maintenance Overhaul in Early July – Sources
Delta Air Lines is on schedule to close on its purchase of Phillips 66’s idled 185,000 b/d Trainer refinery by June 22, sources familiar with the transaction said on Tuesday. The company announced in early May an agreement with Phillips 66 to acquire the refinery near Philadelphia by the end of June; the facility has been idle since September 2011. Delta hopes to have workers return to the plant the week of June 25 and begin a plant-wide turnaround lasting 40–50 days beginning after July 4, the sources said. Delta will reconfigure parts of the refinery to maximize its production of jet fuel, which it hopes to achieve during the third quarter this year.

Unspecified Process Upset Leads to Emissions at Phillips 66’s 146,000 b/d Borger, Texas Refinery June 12

Operations Unaffected by Small Fire near Loading Dock at Total’s 232,000 b/d Port Arthur, Texas Refinery June 13
Total Petrochemicals said a small fire that ignited near a loading dock at its Port Arthur refinery early Wednesday morning was doused in 15 minutes and had no apparent effect on operations, according to a spokesman. Upon inspection, it appears a leaking fuel line caused a bulldozer in the loading dock area to ignite.

Unspecified Unit Upset Causes Emissions at Phillips 66’s 239,400 b/d Westlake, Louisiana Refinery June 13
Phillips 66 reported an unspecified unit upset at its Westlake refinery Tuesday afternoon led to emissions of sulfur dioxide, according to a filing with the U.S. National Response Center. The upset was corrected, which stopped the release, the filing said.

Carlyle Closing in on Deal to Purchase Sunoco’s 335,000 b/d Philadelphia, Pennsylvania Refinery
Carlyle Group is closing in on a deal to purchase Sunoco’s Philadelphia refinery, according to three people familiar with the matter. In mid-April Sunoco entered into exclusive discussions with Carlyle regarding a potential purchase. Sunoco continues to operate the plant but has said it will begin idling the facility’s main processing units in August if it cannot reach a deal to sell. The exclusivity deal Sunoco and Carlyle signed in April expires Friday, June 15. It’s unclear whether the two companies will finalize a transaction before then, but they could opt to extend the exclusivity deal in the meantime.
http://www.cnbc.com/id/47811097  Posted to DOE website 6-14-12.

ExxonMobil Expects an Impact to Production after Compressor Trips on Hydrocracker at Its 344,500 b/d Beaumont, Texas Refinery June 12
ExxonMobil Corp. said today it anticipates some impact on production at its Beaumont refinery after a process compressor tripped on a hydrocracker unit Wednesday night, according to a spokeswoman, who added that the refinery expects to meet all its contractual commitments. The refinery reported emissions from flares and from the hydrocracker as a result of the incident in a filing with the Texas Commission on Environmental Quality. Operators were working to restore normal operations at the time of the filing.

LyondellBasell Reports Flaring at Its 270,600 b/d Houston, Texas Refinery June 14
LyondellBasell reported it was venting steam at its Houston refinery on Thursday, according to a message recorded on the local Community Awareness and Emergency Response line. The refinery said the event may result in noise noticeable outside the complex, but it did not identify the reason for the incident.
Reuters, 05:54 June 14, 2012. Posted to DOE website 6-14-12.

Unplanned Maintenance Leads to Flaring at CVR’s 115,700 b/d Coffeyville, Kansas Refinery June 13
CVR Energy Inc. reported unplanned maintenance at its Coffeyville refinery caused a release of ammonia to the flare just after midnight on Wednesday, according to a filing with the U.S. National Response Center. Operators were “maintaining control of the process” but had not yet secured the release at the time of the filing.