



ENERGY ASSURANCE DAILY

Thursday Evening, January 19, 2012

Electricity

Nearly 200,000 Utility Customers in Washington and Oregon without Power as Ice and Snow Pummel Pacific Northwest January 17–19

A Pacific Northwest snow storm Tuesday/Wednesday was followed by freezing rain Thursday, leaving an estimated 200,000 utility customers without power in Washington and Oregon as of latest reports. Puget Sound Energy (PSE) reported more than 184,000 of its customers were without power as of 11:00 AM local time. Since heavy snows began on Tuesday morning, PSE has restored power to approximately 51,000 customers in western Washington. PSE crews Thursday morning were working under extremely difficult conditions. Trees and limbs, weighed down by ice-encrusted snow, were breaking off and damaging power lines, resulting in new power outages to tens of thousands of homes and businesses. A spokesman warned that the utility might not be able to restore power to the hardest-hit areas until Saturday or beyond, local reports said. PSE has called for 140 additional crews from California, Utah, and Canada to help the nearly 100 crews already working in the region. Authorities are worried about flooding in the coming days as temperatures warm up.

| U.S. Pacific Northwest Customer Power Outages January 17–19, 2011 | | | |
|--|-------|----------------|-----------------|
| Electric Utility | State | Peak | Latest Reported |
| Puget Sound Energy | WA | 184,000 | 184,000 |
| Tacoma Public Utilities | WA | 5,200 | 5,200 |
| Snohomish County Public Utility District | WA | 5,100 | 5,100 |
| Cowlitz Public Utility District | WA | 5,200 | 100 |
| Mason Public Utility District | WA | 725 | 725 |
| Portland General Electric | OR | 32,987 | 4,052 |
| TOTAL* | | 233,212 | 199,177 |

*Total outages only represent electric utilities listed in this table.

Sources:

<http://pse.com/accountsandservices/ServiceAlert/Pages/Real-time-Updates.aspx>

<http://twitter.com/#!/PSETalk>

<http://twitter.com/#!/mytpu>

<http://www.snopud.com/newsroom/StormUpdates.ashx?p=1180>

<http://twitter.com/#!/CowlitzPUD>

<http://www.masonpud3.org/newsdisplay.aspx?newsid=966>

http://www.portlandgeneral.com/safety_outages/outages/outage_updates/outage_list.aspx

<http://blog.thenewstribune.com/crime/2012/01/19/more-than-24000-pierce-county-homes-back-in-the-dark/>

http://seattletimes.nwsources.com/html/localnews/201278326_weather20m.html

<http://abcnews.go.com/US/wireStory/snow-wind-wallop-pacific-northwest-15392005>

<http://www.kgw.com/news/local/High-winds--rain-take-out-trees-power-lines-137592653.html>

Update: Entergy's 951 MW Indian Point Nuclear Unit 2 in New York Restarts, Ramps Up to 35 Percent by January 19

Entergy shut the unit January 10 due to excessive leakage from a reactor coolant pump seal return.

http://www.nypost.com/p/news/local/indian_point_nuclear_reactor_back_xcecGjlQzzv7NgsFmla0rI

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Exelon's 1,111 MW La Salle Nuclear Unit 1 in Illinois Reduced to 65 Percent by January 19

On the morning of January 18 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Update: Indiana Regulatory Commission Approves Duke's Plan to Shut Two 140 MW Coal-Fired Units at 560 MW Gallagher Plant in Indiana by February 1

The Indiana Regulatory Commission has approved Duke Energy's plan to shut two of four 140 MW coal-fired units at the plant by February 1 and, to make up for the deficit, purchase a 62.5 percent share—400 MW—of the 640 MW Vermillion natural gas-fired plant in Vermillion County, Indiana, which is owned by a Duke subsidiary. A 2009 lawsuit settlement between Duke Energy and the U.S. Environmental Protection Agency (EPA), the U.S. Department of Justice, and others required the company to reduce air pollution by either retiring two of the four coal-fired units or converting the units to run on natural gas.

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/ElectricPower/7939939>

<http://www.chicagotribune.com/news/local/sns-ap-in--dukeenergy-pollution.0,1091650.story>

<http://www.epa.gov/compliance/resources/cases/civil/caa/dukeenergy-infosht.html>

Update: CPS Energy to Buy 200 MW from Summit Power's Planned 400 MW IGCC Coal-Fired Texas Clean Energy Project in Texas

CPS Energy has agreed to buy 200 MW of electricity from a proposed 400 MW clean coal power plant in Texas, according to reports Wednesday. Summit Power Group of Seattle is developing the Texas Clean Energy Project to build an integrated gasification combined cycle (IGCC) facility just west of Midland-Odessa and hopes for it to be fully operational in 2015.

<http://www.reuters.com/article/2012/01/18/us-utilities-cps-coal-idUSTRE80H1UN20120118>

Petroleum

TransCanada Will Re-Apply for a Permit to Build 830,000 b/d Keystone XL Crude Oil Pipeline from Alberta to U.S. Gulf Coast

Following notification yesterday from the U.S. State Department that the presidential permit for Keystone XL has been denied, TransCanada Corporation announced in a press release it remains fully committed to the construction of the pipeline, and plans are already underway on a number of fronts to largely maintain the construction schedule of the project. The company will re-apply for a presidential permit and hopes a new application will be expedited to allow for an in-service date of late 2014.

<http://www.transcanada.com/5928.html>

ExxonMobil Says Production Unaffected by Unplanned Flaring, Unspecified 'Breakdown' at Its 149,500 b/d Torrance, California Refinery January 18

ExxonMobil reported unplanned flaring due to a "breakdown" at its Torrance refinery late on Wednesday morning, according to a filing with the South Coast Air Quality Management District. A spokesman later announced production wasn't affected by the flaring event, explaining that flares are triggered when production units cannot process feedstocks normally.

Reuters, 15:33 January 18, 2012

Reuters, 18:14 January 18, 2012

Explosion Shuts Pemex's 250,000 b/d KU-S Platform in the Bay of Campeche, Mexico January 16; Production Resumes at 75 Percent by January 18

Petroleos Mexicanos (Pemex) reported a compressor explosion led to a brief fire Monday evening on its 250,000 b/d KU-S platform in its Ku Maloob Zaap field, which lies off Tabasco in the Bay of Campeche. Pemex shut-in the platform's production at the field, but Reuters later reported that production had resumed to about 75 percent capacity by Wednesday.

<http://www.upstreamonline.com/live/article298574.ece>

http://www.rigzone.com/news/article.asp?a_id=114381

Natural Gas

Boiler Loss Shuts Refrigeration Unit, Causes Upset at Copano's 700 MMcf/d Houston Central Gas Plant in Texas January 17

Copano Processing LP reported an upset at its oil plant and fractionation plant Tuesday when it lost the No. 4 boiler and had to shut down a refrigeration unit. Operators restarted the units and the flaring ceased.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=163807>

Targa Shuts 150 MMcf/d Sand Hills Gas Plant in Texas due to NGL Metering Problem January 18

Targa reported that third-party Chevron Pipeline Company electronically shut down their natural gas liquids metering skid at the Sand Hills plant, causing operators to stop natural gas liquid flow into Chevron's pipeline. This required the shutdown of the cryogenic section of the plant to cease natural gas liquid production. Condition gas flaring was initiated during the outage.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=163816>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=163817>

Gasoline Stabilization Unit Starts up at Targa's Mont Belvieu Fractionator Plant in Texas January 19

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=163810>

Trunkline Reports Unscheduled Maintenance Outage at Independence Compressor Station in Mississippi January 19

Trunkline Gas Company, LLC reported unscheduled maintenance has made an outage necessary at the Independence Compressor Station effective immediately.

<http://infopost.panhandleenergy.com/InfoPost/jsp/NoticeDetail.jsp?NoticeId=5153>

Other News

Nothing to report

Energy Prices

| U.S. Oil and Gas Prices January 19, 2012 | | | |
|--|--------|----------|----------|
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 101.11 | 102.16 | 91.22 |
| NATURAL GAS Henry Hub \$/Million Btu | 2.49 | 2.81 | 4.52 |

Source: Reuters

Energy Notes

Exporting U.S. Natural Gas Surplus Could Push Domestic Prices 3–9 Percent Higher over 20 Years – Energy Information Administration Report

Reuters, 11:22 January 19, 2012

<http://www.eia.gov/analysis/requests/fe/>

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 EDT every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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