



ENERGY ASSURANCE DAILY

Wednesday Evening, January 27, 2010

Electricity

Wolf Creek's 1,165 MW Wolf Creek Nuke Unit 1 in Kansas Reduced to 88 Percent by January 27

The Nuclear Regulatory Commission reported that on the morning of January 26 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: AES's 226 MW Huntington Beach Gas-fired Unit 2 in California Ramps up by January 26

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 146 MW.

<http://www.caiso.com/unitstatus/data/unitstatus201001261515.html>

Update: SCE's 200 MW Eastwood Pump-Gen Hydro Unit in California Returns to Service by January 26

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201001261515.html>

APS Seeks Proposals for 15-to-100 MW Arizona-Based Wind Farms, 15-to-50 MW Solar Power Projects

Arizona Public Service (APS) issued two requests for proposals (RFP), one for photovoltaic solar projects between 15 MW and 20 MW, and another for Arizona-based wind farms between 15 MW and 100 MW, the company said in a release. The company did not specify a location for the solar facilities, but did say it hoped to obtain about 220,000 MWh/year of solar-derived electricity.

<http://finance.yahoo.com/news/APS-Seeks-Renewable-Energy-bw-4105996524.html?x=0&.v=1>

Update: AEP to Restart 721 MW Pirkey Coal-fired Power Plant in Texas January 27-31

The unit shut due to a boiler tube leak by January 26, American Electric Power (AEP) said in previous filings with state regulators.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=134941>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=134946>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=135016>

NRC Cites Entergy for Low Boron Carbide Levels at 812 MW Palisades Nuclear Power Plant in Michigan--Shortfall Occurred in 2008 and 2009

Entergy had an insufficient amount of boron carbide—a neutron absorber—in the spent fuel racks of the spent fuel pool at its 812 MW Palisades nuclear power plant in Michigan, the Nuclear Regulatory Commission (NRC) said in a letter to the company. The shortfall occurred between July, 2008 and February, 2009. It constituted a “white” level violation, indicating a “low to moderate” safety threat. Entergy had moved to fix the problem, starting after February, 2009, according to an NRC official.

<http://www.istockanalyst.com/article/viewiStockNews/articleid/3803923>

Update: Invenergy, Animal Welfare Institute and Others Reach Deal to Protect Bats, Allow for Partial Development of Planned 186 MW Beech Ridge Wind Farm in West Virginia

A federal judge ordered Invenergy to halt construction on the partly-completed facility in December, 2009, until the company received a federal “incidental take permit” to operate the project near an endangered bat species, previous sources said. The ruling, however, allowed Invenergy to run 40 already-completed turbines during the winter months—when the bats hibernate—until it received further authorization. The latest agreement will provide for additional protection of the bats and other wildlife, and allow “some elements of the project to move forward and to begin producing renewable power in 2010,” Invenergy said in a January 27 release.

<http://www.prnewswire.com/news-releases/invenergy-wind-llc-the-animal-welfare-institute-and-other-parties-reach-agreement-to-protect-indiana-bat-in-development-of-west-virginia-wind-farm-82783952.html>

<http://online.wsj.com/article/BT-CO-20091209-713615.html>

<http://www.washingtonpost.com/wp-dyn/content/article/2009/12/09/AR2009120904106.html?hpid=sec-metro>

<http://www.awionline.org/ht/d/sp/i/16983/pid/16983>

Update: Invenergy Opens 111 MW Expansion at Former 99 MW Grand Ridge Energy Wind Farm in Illinois

The company completed the expansion by December 29, it said in a news release.

http://www.invenergyllc.com/news/GR_Exp.pdf

Petroleum

Update: After Weekend Oil Spill, Sabine-Neches Waterway Reopens to Limited Traffic January 27

The waterway shut over the weekend after the Eagle Otome tanker collided with a towboat, spilling 462,000 gallons of oil, sources said. It reopened to limited traffic today, January 27, the U.S. Coast Guard confirmed. Crews had moved the affected tanker from the channel, and recovered approximately 534,000 gallons of an oil and water mixture, as of latest reports.

<http://www.chron.com/disp/story.mpl/ap/tx/6838111.html>

Bloomberg News, 10:08 January 27, 2010

Bridger Pipeline Plans 40,000 b/d, 85-mile Oil Pipeline in North Dakota

The line would connect to larger pipelines that deliver oil to refiners in Minnesota and Wyoming, a Public Service Commission official said.

http://www.canadianbusiness.com/markets/market_news/article.jsp?content=D9DG8QE00

Update: Repairs to Take Four-to-Five Weeks after Weekend Fire at Motiva’s 236,400 b/d Norco, Louisiana Refinery

Repairs were expected to take four to five weeks after a January 22-23 fire damaged a crude distillation unit (CDU), a source familiar with the facility’ operations said. A company spokeswoman did not confirm the timeframe.

<http://www.reuters.com/article/idUSN2613394720100127?type=marketsNews>

Delayed Coker Releases Steam and Dust at Shell’s 156,400 b/d Martinez, California Refinery by January 27

Shell was investigating the event. It was not clear if the incident had any impact to production.

Bloomberg News, 12:51 January 27, 2010

ConocoPhillips to Reduce Runs at Struggling Refineries, but Expects U.S. West Coast Margins to Improve

ConocoPhillips plans to reduce rates at refineries not covering variable expenses, but expects refining margins to improve across the U.S. West Coast, the company said on January 27.

Reuters, 12:25 January 27, 2010

Shell to Begin Production in First Quarter 2010 at Planned 100,000 b/d Oil, 200 MMcf/d Natural Gas Perdido Platform in U.S. Gulf of Mexico—MMS

The U.S. Minerals Management Service (MMS) confirmed the start-date, but did not say how much the site might initially produce.

Reuters, 10:26 January 27, 2010

Petrobras to Begin Production in Second Half of 2010 at Planned 80,000 b/d Cascade Project in U.S. Gulf of Mexico—MMS

Reuters, 10:26 January 27, 2010

Update: ExxonMobil to Produce 165,000 b/d at Cepu Block in Indonesia by End of 2013

ExxonMobil had planned to reach peak production of 165,000 b/d in 2012, but now expects to hit that figure by the end of 2013, a company official said. The field yields about 18,000 b/d, at present.

<http://www.reuters.com/article/idUSJAK31953820100127?type=marketsNews>

Chevron Plans 140,000 b/d Papa Terra Oil Project Offshore Brazil

The company expects to begin production in 2013. The project is located in Block BC-20 of the Campos Basin, offshore Brazil.

http://www.rigzone.com/news/article.asp?a_id=86445

Update: Russia and Belarus Ink Oil Supply Deal for 2010

Russia's top energy official confirmed the agreement, Russian agencies said by January 27.

Reuters, 11:56 January 27, 2010

Natural Gas

Update: Regency, GE and Alinda Open 1.2 Bcf/d Expansion along Regency Intrastate Natural Gas Pipeline in Louisiana by January 27

Regency Energy Partners LP, Alinda Capital Partners LLC and an affiliate of GE Energy Financial Services placed into service the 1.1 Bcf/d "Haynesville Expansion Project" and the 100,000 MMbtu/d, 36-inch, 12.5-mile "Red River Lateral" in Louisiana, the company said in news releases. The projects boosted capacity along the Regency Intrastate Gas System to approximately 1.2 Bcf/d. The Haynesville Expansion Project consisted of the 25-mile, 36-inch Bienville Loop, the 21-mile, 36-inch Elm Grove Pipeline and the 75-mile, 42-inch Winnsboro Loop. It included new compression at two existing stations.

<http://phx.corporate-ir.net/phoenix.zhtml?c=194063&p=irol-newsArticle&ID=1373971&highlight=>

<http://phx.corporate-ir.net/phoenix.zhtml?c=194063&p=irol-newsArticle&ID=1379472&highlight=>

Russia Fears Market Shift amid Surging U.S. Natural Gas Production

Russia's Gazprom is concerned that surging U.S. shale gas output might "fundamentally" alter global markets—the United States could be natural gas-independent within six years—and that shift could threaten the company's plans to account for 10 percent of U.S. natural gas demand within two years, news sources said. Gazprom might be reconsidering the economic feasibility of its planned Stockman field in the Arctic, according to the sources.

<http://www.google.com/hostednews/afp/article/ALEqM5hXnuUqHHlx-P8QNY7tSOXqV4m5Sg>

<http://rt.com/Business/2010-01-27/stockman-gas-field-arctic.html/print>

<http://www.themoscowtimes.com/business/article/gazprom-plans-15-increase-in-europe-sales/398305.html>

Other News

Energy Fuels Resources Plans Uranium Mill in Colorado

The Piñon Ridge Mill would be the first new U.S. uranium mill in 25 years, according to a news source. Energy Fuels Resources filed its plans with the state.

http://www.gjsentinel.com/hp/content/news/opinion/stories/2010/01/26/011710_7B_mining_column.html

Energy Prices

U.S. Oil and Gas Prices			
January 27, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	74.19	77.30	43.40
NATURAL GAS Henry Hub \$/Million Btu	5.61	5.51	4.62

Source: Reuters

Energy Notes

Power Outage Shuts Pumping System at Moccasin Bend Waste Water Treatment Plant in Tennessee, Causing 137 Million Gallon Waste Spill into Tennessee River January 26-27

<http://www.wrcbtv.com/Global/story.asp?S=11883598>

SCPPA, Ice Energy Plan 53 MW Distributed Energy Storage Project in California

<http://www.prnewswire.com/news-releases/southern-california-public-power-authority-to-undertake-industrys-largest-utility-scale-distributed-energy-storage-project-82786137.html>

PNM Plans 45 MW of Solar Power in New Mexico by 2012

http://www.pnm.com/news/2010/012510_reeves_solar.htm<http://finance.yahoo.com/news/New-Mexico-utility-outlines-apf-4260179535.html?x=0&.v=1>

Judge Denies Environmentalist Bid to Shut Xcel Energy's Newly-Opened Comanche Coal-fired Unit 3 in Colorado

<http://www.chieftain.com/articles/2010/01/27/news/local/doc4b5fe5dd1808a821566081.txt>

Southern Company, Ted Turner Form Alliance to Develop and Invest in Large Scale Solar Photovoltaic Projects in U.S. Southwest

<http://southerncompany.mediaroom.com/index.php?s=43&item=2033>

Manhole Explosion Inures Driver in Maryland January 25—Pepco, Washington Gas Investigate Possible Gas Leak

<http://www.nbcwashington.com/news/local-beat/Woman-Seriously-Injured-in-Apparent-Manhole-Explosion-82623817.html>

Update: Operators Knew of Underground Pipes in November 2007 at Entergy's 563 MW Vermont Yankee Nuclear Power Plant, Documents Suggest—Investigation Continues into Whether Company Knowingly Misled State Officials

http://www.reformer.com/localnews/ci_14267558

Tanker Truck Crashes and Overturms, Spilling 2,900 Gallons of Kerosene near Jug Bay Wetlands Sanctuary in Maryland January 26

http://www.gazette.net/stories/01262010/prinnew170202_32595.php

OGX to Deploy 80,000 b/d FPSO in Campos Basin, Offshore Brazil

http://www.rigzone.com/news/article.asp?a_id=86456

Nighthawk Energy’s Partly-Owned Jolly Ranch Project in Colorado Likely Contains 1,462 Million Barrels Gross Oil in Place

http://www.rigzone.com/news/article.asp?a_id=86405

Update: FERC Issues Favorable Environmental Assessment for Energy Transfer’s Planned 2.0 Bcf/d, 42-inch, 175-mile, Texas-to-Louisiana Tiger Natural Gas Pipeline January 26

<http://intelligencepress.com/>

<http://www.tigerpipeline.com/index.htm>

Laurel Sand & Stone to Remove about 460,200 Tons of Coal from Pennsylvania Surface Mine over Six-Year Stretch—Pennsylvania Board of Game Commissioners Approves Lease by January 26

http://www.portal.state.pa.us/portal/server.pt?open=512&objID=12775&PageID=648010&mode=2&contentid=http://pubcontent.state.pa.us/publishedcontent/publish/marketing/sites/game_commission/content/resources/newsreleases/newsrelease/articles/release_006_10.html

Carbon Sciences Announces Breakthrough in Converting Carbon Dioxide to Gasoline

<http://cleantech.com/news/5565/carbon-sciences-eyes-china-co2-fuel>

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EST every Thursday.

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

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