



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Thursday Evening, February 04, 2010

Electricity

Update: Fewer than 30,000 Remain Without Power in Oklahoma February 3

Fewer than 30,000 customers remained without power in Oklahoma on February 4, several days after ice, winds and snow cut electricity to more than 185,000 customers, multiple sources said. Governor Brad Henry declared a state of emergency on January 27, ahead of the storm, and waived some size and weight restrictions for vehicles moving emergency response equipment and supplies. The following table lists peak and current outage figures, based on latest available data.

| Oklahoma, Arkansas Customer Power Outages January 28-February 4, 2010 | | | |
|--|-------|----------------|-----------------|
| Electric Utility | State | Peak | Latest Reported |
| Public Service Co. of Oklahoma | OK | 69,716 | 1,929 |
| Oklahoma Association of Electric Cooperatives | OK | 62,341 | 19,922 |
| Oklahoma Gas & Electric | OK | 27,000 | 0 |
| Oklahoma Municipal Power Authority | OK | 26,606 | 7,015 |
| Entergy Arkansas | AR | 12,733 | 7 |
| TOTAL* | | 198,396 | 28,873 |

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

Sources:

Public Service Co. of Oklahoma:

<https://www.psoklahoma.com/outages/details.aspx?stormName=Oklahoma%20Winter%20Storm%20January%2028-29,%202010> ,

http://online.wsj.com/article/SB10001424052748703389004575032852852019606.html?mod=googlenews_wsj

Oklahoma Association of Electric Cooperatives: http://oaec.coop/Latest_News.php

http://www.newsok.com/power-lines-still-down-in-oklahoma-as-wind-creates-new-hazards/article/3435585?custom_click=headlines_widget

Oklahoma Gas & Electric: http://public.oge.com/systemwatch/graphs/History_Graph.asp ,

<http://public.oge.com/systemwatch/SystemWatch.swf?startMapID=1> ,

http://www.gov.ok.gov/display_article.php?article_id=1340&article_type=1

Oklahoma Municipal Power Authority:

<http://www.kjrh.com/mostpopular/story/Latest-Storm-Impact-Report/OXTxOnCdb0e1jrVTdVD3iA.csp>

[http://www.ok.gov/OEM/Emergencies_&Disasters/2009/Winter Weather Event 20100128 Master/](http://www.ok.gov/OEM/Emergencies_&Disasters/2009/WinterWeatherEvent20100128Master/)

Entergy Arkansas: <http://viewoutage.entergy.com/ar.aspx> , <http://ozarksfirst.com/content/fulltext/?cid=230271>

Update: Exelon's 1,116 MW Peach Bottom Nuke Unit 2 in Pennsylvania at Full Power by February 4

The Nuclear Regulatory Commission reported that on the morning of February 3 the unit was operating at 40 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Progress Energy's 811 MW Brunswick Nuke Unit 2 in North Carolina Shut by February 4

Progress began shutting the unit yesterday, February 3, for scheduled work and a "valve issue," a company spokesman said. The Nuclear Regulatory Commission reported that on the morning of February 3 the unit was operating at full power.

Bloomberg News, 10:14 February 4, 2010

Information also derived from the NRC Power Reactor Status Reports:

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

STP's 1,251 MW South Texas Nuke Unit 1 in Texas Shut by February 4

The Nuclear Regulatory Commission reported that on the morning of February 3 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/>

AEP to Restart 558 MW Welsh Coal-fired Unit 1 in Texas February 3-4

American Electric Power (AEP) shut the unit by February 3-4 to replace a breaker, it said in filings with state regulators.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=135396>

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=135397>

LCRA Restarts 460 MW Fayette Coal-fired Unit 3 in Texas February 3

The unit tripped on February 3 "due to the loss of communication within the ABB Boiler Control System network," Lower Colorado River Authority (LCRA) said in a filing with state regulators. Operators restarted the unit within four hours.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=135404>

Petroleum

Valero Repairs Leak at 340,000 b/d Corpus Christi, Texas Refinery February 4

Valero repaired a leak at Complex 3 of the facility, the company said. It was not clear if the incident had any impact to production.

Reuters, 10:46 February 4, 2010

ConocoPhillips May Shut Refineries on Cost Concerns

ConocoPhillips could shut refineries that appear likely to remain "challenged over an extended period of time," or be unable "to cover their variable costs," a company official said on February 4. Facilities along the U.S. Gulf Coast and U.S. East Coast appear most vulnerable, he said. The company ran its refineries at 76 percent capacity, overall, in the fourth quarter of 2010, it said on January 27.

Bloomberg News, 12:01 February 4, 2010

U.S. Refinery Utilization at Lowest Level since Mid-1980s—EIA Data

U.S. refinery utilization slid to 77.7 percent by February 2, the Energy Information Administration (EIA) said. It marked the lowest such figure since the mid-1980s, not including hurricane-induced shutdowns. Amid the slowdown, Tesoro's Chairman and Chief Executive said he expected companies to close more domestic refineries in 2010.

<http://www.reuters.com/article/idUSN0316157120100203?type=marketsNews>

Natural Gas

Nothing to report.

Obama Announces Steps to Boost Biofuels, Clean Coal February 3

President Barack Obama laid out three measures intended to boost biofuels production, advance clean coal technologies and reduce U.S. dependence on foreign oil, the Department of Energy (DOE) said in a release:

- EPA finalized a rule implementing the long-term renewable fuels mandate of 36 billion gallons by 2022, as established by Congress. The Renewable Fuels Standard requires biofuels production to grow from last year's 11.1 billion gallons to 36 billion gallons by 2022, including 21 billion gallons from advanced biofuels. For the first time, some renewable fuels must achieve greenhouse gas emission reductions—compared to the gasoline and diesel fuels they displace—in order to be counted towards compliance with volume standards.
- USDA proposed a rule for Biomass Crops Assistance Program (BCAP) to convert biomass to bioenergy and bio-based products.
- The Biofuels Interagency Working Group—formed in May, and co-chaired by USDA, DOE, and EPA—released its first report. The report focused on short term solid government solutions supporting the existing biofuels industry, as well as accelerating the commercial establishment of advanced biofuels and a viable long-term market by transforming how the U.S. Government does business across Departments and using strategic public-private partnerships.
- In a Presidential Memorandum, Obama established an Interagency Task Force on Carbon Capture and Storage to develop a federal strategy to speed the development and deployment of clean coal technologies. The Task Force was directed to develop, within 180 days, a plan to overcome the barriers to the deployment of widespread, affordable Carbon Capture and Storage within 10 years, with a goal of bringing five to ten commercial demonstration projects on line by 2016.

<http://www.whitehouse.gov/the-press-office/obama-announces-steps-boost-biofuels-clean-coal>

<http://yosemite.epa.gov/opa/admpress.nsf/bd4379a92ceceac8525735900400c27/3a91d20f44b4b2d2852576bf00711782!OpenDocument>

<http://www.washingtonpost.com/wp-dyn/content/article/2010/02/03/AR2010020303804.html>

EPA Reduces Cellulosic Ethanol Production Goal for 2010

The U.S. Environmental Protection Agency (EPA) reduced the nation's cellulosic ethanol production target for 2010 from 100 million gallons to 6.5 million gallons. Some 30 companies had postponed or abandoned cellulosic ethanol projects, the EPA said. The EPA also mandated that ethanol and other renewable fuels account for 8.25 percent of overall gasoline and diesel sales in 2010, down from the 10.21 percent requirement in 2009.

<http://www.reuters.com/article/idUSTRE6133HT20100204>

Commission to Propose Alternatives to Yucca Mountain

A 15-member commission of scientists, industry representatives and former lawmakers will propose alternatives to Yucca Mountain for the storage of spent nuclear fuel and nuclear waste. The Obama administration appointed a former Congressman and a previous National Security Adviser to head the commission. The Commission expects to issue a final report within two years.

<http://www.lasvegassun.com/news/2010/feb/03/panel-to-seek-yucca-mountain-alternative/>

Bad Weather Forces Traffic Shutdown along Houston Ship Channel February 3-4

Pilots stopped traffic along the 54-mile waterway yesterday afternoon, citing storm conditions, but reopened the path this morning, February 4, U.S. Coast Guard officials said. The shutdown delayed 19 vessels.

Bloomberg News, 12:38 February 4, 2010

Reuters, 11:57 February 4, 2010

Energy Prices

| U.S. Oil and Gas Prices February 4, 2010 | | | |
|--|-------|----------|----------|
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 73.05 | 73.04 | 40.96 |
| NATURAL GAS Henry Hub \$/Million Btu | 5.51 | 5.42 | 5.04 |

Source: Reuters

Energy Notes

Substation Problems Knock Out Power to about 13,500 PSE&G Customers in New Jersey February 3—Company Restores All Service in Less Than Two Hours

<http://www.1010wins.com/pages/6279807.php?contentType=4&contentId=5521851>

Calpine Receives Final Federal Regulatory Okay for Planned 600 MW Gas-fired Russell City Energy Center in California—Would Be Nation's First Power Plant with Federal Limit on Greenhouse Gas Emissions

<http://phx.corporate-ir.net/phoenix.zhtml?c=103361&p=irol-newsArticle&ID=1383016&highlight=>

Longview Fibre Paper and Packing Plans 65 MW Biomass Power Plant in Washington

http://www.biomassmagazine.com/article.jsp?article_id=3477

Ormat Technologies Running 30 MW Geothermal Puna Power Plant in Hawaii at 17 MW, Citing Slowdown in Steam Supply

<http://www.prnewswire.com/news-releases/ormat-technologies-provides-puna-power-plant-update-83544962.html>

State Regulators to Mandate Testing of Coal Ash Ponds at Three Duke Energy Coal-fired Power Plants in North Carolina

<http://www.southernstudies.org/2010/02/north-carolina-orders-utilities-to-test-groundwater-near-coal-ash-ponds.html>

Militant Group Claims Attack on Shell Pipeline in Nigeria February 4—Company Investigating

<http://www.google.com/hostednews/afp/article/ALeqM5gmqev5eXLoZrfJqcLLkQhBq-TF7A>

Nigerian Oil Exports to Decline in March on Pipeline Attacks—Traders

<http://af.reuters.com/article/investingNews/idAFJOE6120FJ20100203?pageNumber=2&virtualBrandChannel=0>

Global Oil Demand to Peak Between 95-110 Million b/d, from 85 Million b/d, at Present—BP Chief Executive

<http://www.reuters.com/article/idUSLDE61316Y20100204?type=marketsNews>

Suncor Energy, Imperial Oil Say Enbridge is Over-Constructing Oil Pipelines to the United States—Companies Seek to Avoid Toll Increases when Alberta Clipper Pipeline Opens in 2010

<http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/energy-giants-battle-over-costs-of-oil-sands-pipeline/article1455350/>

Kenya Pipeline Company Still Awaits Final Decision on Proposal to Extend Oil Pipeline into Uganda

<http://www.businessdailyafrica.com/Company%20Industry/-/539550/855056/-/t402tdz/-/>

Rain Storm Shuts Power, Forces Offline Big Lake Gas Plant in Texas February 3

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=135395>

GE Oil & Gas Replaces Gas Turbine at Texas Gas Transmission Natural Gas Pipeline Compression Facility in Mississippi by February 3

http://www.downstreamtoday.com/news/article.aspx?a_id=20906

Fire Extinguished at Sowards Natural Gas Compressor Repair Site in Jane Lew, West Virginia

<http://www.wboy.com/story.cfm?func=viewstory&storyid=74503>

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.

ENERGY ASSURANCE DAILY

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

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