



# ENERGY ASSURANCE DAILY

Monday Evening, February 23, 2009

## Electricity

### Winter Storm Cuts Power to More than 160,000 Customers in New England February 22-23

A winter storm dropped more than two feet of snow in some areas of Maine, downing trees, power lines and cutting electricity to an estimated 168,209 New England customers February 22-23. Included in the outages were about 144,709 customers in Maine and approximately 23,500 customers in New Hampshire, according to multiple sources. Central Maine Power, the hardest-hit utility, said it would begin restoring power this afternoon, but a news source indicated that customers might be without power until Tuesday or later. Utilities restored power to most affected customers in New Hampshire by this morning. The following table lists peak and current customer outages, based on latest available figures.

New England Customer Outages February 22-23, 2009			
Electric Utility	State	Peak	Latest Reported
Central Maine Power	ME	129,150	129,150
Bangor Hydro Electric	ME	15,559	15,559
PSNH	NH	18,500	3,200
New Hampshire Electric Co-op	NH	5,000	980
<b>TOTAL*</b>		<b>168,209</b>	<b>148,889</b>

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

Sources:

Central Maine Power: <http://www.cmpco.com/OurCompany/News/2009/news090223c.html>

Bangor Hydro-Electric: <http://www.bhe.com/about/outages.cfm#>

PSNH, New Hampshire Electric Co-op:

<http://www.unionleader.com/article.aspx?headline=Storm+causes+problems+in+parts+of+state&articleId=1b3eb29b-4bbf-4d54-80de-c1a8dfe8112f>

<http://www.journaltribune.com/pastnews/2009/Feb2009/NEWS022309.HTML>

<http://www.chron.com/dispatch/story.mpl/nation/6276302.html>

<http://waldo.villagesoup.com/Business/story.cfm?storyID=147216>

<http://ellsworthmaine.com/site/index.php/2009022319402/Newsflash/More-than-12000-Hancock-County-Residents-Without-Power.html>

### Duke Energy's 1,100 MW McGuire Nuke Unit 1 in North Carolina Reduced to 88 Percent by February 23

The Nuclear Regulatory Commission reported that on the morning of February 22 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/2009/>

### Exelon's 855 MW Quad Cities Nuke Unit 2 in Illinois Reduced to 77 Percent by February 23

The Nuclear Regulatory Commission reported that on the morning of February 22 the unit was operating at 96 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **AEP's 721 MW Pirkey Coal-fired Unit 1 in Texas Shut over Weekend**

The unit went offline for an "unplanned maintenance outage to repair electrical fault," the company said in a filing with state regulators. Two filings differed as to the length of the outage. One indicated that the event would last from February 21-22, and another suggested it would stretch from February 22-26.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120358>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120399>

### **Calpine's 376 MW Inland Empire Energy Center Gas-fired Unit 1 in California Shut by February 22**

According to the California Independent System Operator, the unit experienced an unplanned shutdown by February 22.

<http://www.caiso.com/unitstatus/data/unitstatus200902221515.html>

### **Exelon's 1,163 MW Byron Nuke Unit 1 in Illinois at Full Power by February 23**

The Nuclear Regulatory Commission reported that on the morning of February 22 the unit was operating at 75 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Exelon's 1,134 MW Limerick Nuke Unit 2 in Pennsylvania Ramped Up to 99 Percent by February 23**

The Nuclear Regulatory Commission reported that on the morning of February 22 the unit was operating at 80 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: TVA's 1,118 MW Browns Ferry Nuke Unit 2 in Alabama Ramped Up to 96 Percent by February 23**

The unit went offline by February 17 after alarms indicated a malfunction of the stator cooling water system. The affected equipment is used to cool the generator. The Nuclear Regulatory Commission reported that on the morning of February 22 the unit was operating at 45 percent.

Reuters, 07:44 February 23, 2009

Bloomberg News, 07:40 February 23, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **FirstEnergy's 831 MW Beaver Valley Nuke Unit 2 in Pennsylvania at Full Power by February 23**

The Nuclear Regulatory Commission reported that on the morning of February 22 the unit was operating at 81 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: Entergy's 730 MW Palisades Nuke Unit in Michigan at Full Power by February 23**

Entergy shut the unit on February 17 to repair a leaky control rod drive seal, a news source said. The Nuclear Regulatory Commission reported that on the morning of February 22 the unit was operating at 65 percent.

Reuters, 07:51 February 23, 2009

Bloomberg News, 07:42 February 23, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Watson Cogeneration's 423 MW Watson Gas-fired Unit in California Ramped up by February 22**

According to the California Independent System Operator, the unit ramped up from an unplanned curtailment of 223 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200902221515.html>

## **AES's 226 MW Huntington Beach Gas-fired Unit 1 in California Ramped up by February 22**

According to the California Independent System Operator, the unit ramped up from an unplanned curtailment of 146 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200902221515.html>

## **OPG Shuts 494 MW Lambton Coal-fired Unit 4 in Ontario February 20**

Reuters, 09:32 February 23, 2009

Bloomberg News, 08:26 February 23, 2009

## **Update: OPG Restarts 494 MW Lambton Coal-fired Unit 1 in Ontario by February 23**

The unit went offline by February 19.

Reuters, 09:32 February 23, 2009

## **NRG Energy Plans up to 500 MW of Solar Power Plants in California and U.S. Southwest**

NRG Energy signed an agreement with eSolar to develop up to 500 MW of solar power plants in California and the U.S. Southwest, it said in a February 23 release. The company expects the first plant to begin production as soon as 2011.

[http://media.corporate-ir.net/media\\_files/irol/12/121544/0223eSolarFinal.pdf](http://media.corporate-ir.net/media_files/irol/12/121544/0223eSolarFinal.pdf)

## **American Public Power Association Releases Plan to Reform RTO Electricity Markets**

The American Public Power Association (APPA) on Friday released its "Competitive Market Plan," a proposal to reform wholesale electricity markets run by Regional Transmission Organizations (RTOs) under federal jurisdiction. The plan seeks to encourage competition within RTO-markets through a more consumer-oriented, balanced, and transparent market structure. It also recommends that deregulated states in the associated regions assume a larger role in energy reliability, and suggests improving the transmission planning process.

The report can be viewed at: <http://www.appanet.org/files/PDFs/EMRICompetitiveMarket.pdf>

<http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=104&STORY=/www/story/02-20-2009/0004975933&EDATE=>

## **Federal Court in Virginia Rejects FERC Authority to Overrule State Transmission Decisions—Repercussions Possible for Proposed New York Line**

The U.S. Fourth Circuit Court of Appeals in Richmond rejected the Federal Energy Regulatory Commission's (FERC) assertion that it could overrule state decisions regarding power transmission projects. FERC had claimed in 2005 that it could approve transmission plans if states declined to do so in one year. The court's rejection prompted victory claims from opponents of the proposed, 1,200-mile New York Regional Interconnect (NYRI) line. That line, planned to deliver power throughout New York State and into the New York City area, has not yet been approved by New York officials. If New York rejects the plans, opponents say FERC will not have the authority to intervene. A NYRI official, however, interpreted the ruling differently: "If the state denies it after one year has expired, FERC would have jurisdiction," he said. New York's Public Service Commission officially filed the NYRI application on August 8, 2008. It is not clear if the group will approve or reject the line before that date.

[http://www.starexponent.com/cse/news/local/article/pec\\_scores\\_victory\\_in\\_power\\_line\\_case/30366/](http://www.starexponent.com/cse/news/local/article/pec_scores_victory_in_power_line_case/30366/)

<http://www.newsday.com/news/local/wire/newyork/ny-bc-ny--powerlines0220feb20.0.6267570.story>

## **NRC Okays Reinstatement of Construction Permits for TVA's Unfinished Bellefonte Nuclear Power Units in Alabama**

The Nuclear Regulatory Commission (NRC) approved the reinstatement of construction permits for Tennessee Valley Authority's (TVA) unfinished Bellefonte Unit 1 and 2 nuclear reactors in Alabama, the NRC said in a release. TVA deferred the plant's completion in 1988. Unit 1 was about 88 percent complete, and Unit 2 was approximately 58 percent finished. TVA asked the NRC to reinstate the permits in 2008, citing changing power-generating economics.

<http://www.nrc.gov/reading-rm/doc-collections/news/2009/09-035.html>

## **Energy Northwest, Adage Plan 50 MW Biomass Power Plants in Washington, Oregon, Idaho and Montana**

Energy Northwest and Adage signed a preliminary agreement to develop 50 MW biomass power plants in Washington, Oregon, Idaho and Montana. The companies plan to build at least one facility in each state, and begin operations as soon as 2012. Adage is a joint venture of Duke Energy and Areva Inc.

<http://www.keprtv.com/news/local/39863337.html>

## **Radioactive Water Leak at Entergy's 1,299 MW Indian Point Nuke Unit 2 in New York**

An 8-inch pipe is leaking approximately 18 gallons/minute of tritium and water, regulators and plant officials said. The associated pipe is on the non-nuclear side of the reactor, and links a condensation-storage tank to the facility's turbines. The Nuclear Regulatory Commission (NRC) said the leak poses no risk to drinking water supplies.

<http://www.lohud.com/article/2009902200371>

## **Petroleum**

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### **Valero Returns Crude Unit to Planned Rates after Power Disruption at 289,000 b/d Port Arthur, Texas Refinery February 19-20**

Valero returned a crude unit to normal rates by February 20 after a power disruption the day prior, a company spokesman said. He said the power blip was brief and did not materially affect production. The incident caused flaring. Separately at Port Arthur, Valero said it restarted a fluid catalytic cracker, shut February 13 due to a leak. The unit is ramping up to planned rates, the spokesman said.

Bloomberg News, 10:38 February 23, 2009

Bloomberg News, 15:02 February 20, 2009

Reuters, 13:59 February 20, 2009

Reuters, 13:41 February 20, 2009

### **Update: BP Plans Ultraformer Restart at 467,720 b/d Texas City, Texas Refinery February 21-24**

BP said in a filing that it planned to restart ultraformer #3 at its 467,720 b/d Texas City, Texas refinery, but did not say why the unit had shut. A leak forced shut the unit in January, but BP said it was restarting the unit in early February. It was not clear from the latest filing if the incidents are related.

<http://www1.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120393>

Reuters, 09:01 February 23, 2009

### **Update: Valero Continues Restart of 50,000 b/d Coker Unit at 210,000 b/d Delaware City, Delaware Refinery February 23**

Valero continued to restart the 50,000 b/d coker unit at its Delaware City, Delaware refinery, one week after a steam loss forced its shutdown. Operators restarted the facility's 180,000 b/d crude distillation unit, and its 82,000 b/d gasoline-producing fluid catalytic cracking unit, but those units remained at reduced rates, pending the coker's return to service.

Reuters, 10:41 February 23, 2009

### **Leak Shuts Unspecified Unit at Tesoro's 166,000 b/d Martinez, California Refinery by February 23**

A control valve leak triggered flaring and forced shut an unspecified unit, the company said in a filing with state regulators.

Bloomberg News, 21:19 February 23, 2009

### **ExxonMobil Corrects Sulfur Plant Valve Malfunction at 149,500 b/d Torrance, California Refinery by February 23**

<http://www.reuters.com/article/marketsNews/idUSN2332853420090223>

### **Update: Sunoco Restarts 142,000 b/d, Ohio-to-Michigan Maumee Oil Pipeline February 22**

A leak forced shut the line on February 18. The company restarted the line by late yesterday, but workers continued to clean the associated spill. The line delivers oil to several Midwest refineries: BP's 131,000 b/d Toledo, Ohio facility, Sunoco's 160,000 b/d Toledo, Ohio refinery, and marathon's 102,000 b/d Detroit, Michigan facility. Only one of those facilities—Sunoco's Toledo refinery—said the pipeline shutdown slowed production.

DJN, 08:49 February 23, 2009

<http://www.reuters.com/article/marketsNews/idUSN2340239420090223>

<http://www.reuters.com/article/rbssEnergyNews/idUSN1951378720090219>

### **Update: Imperial Oil Restarts Coker at 119,000 b/d Sarnia, Ontario Refinery February 19**

Imperial Oil restarted a fire-damaged coker at its 119,000 b/d Sarnia, Ontario refinery on February 19, a local news source reported. The company is investigating the cause of the February 13 fire.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=15258](http://www.downstreamtoday.com/news/article.aspx?a_id=15258)

### **Supertanker Runs Aground Near Houston Ship Channel February 20**

The 800-foot, double-hulled Yasa Golden Dardanelles was carrying 620,000 barrels of fuel oil when it ran aground on February 20, a source said. A U.S. Coast Guard official said the tanker was not leaking or interfering with ship traffic. The Coast Guard planned to remove some of the ship's cargo yesterday, February 22, and attempt to return it to sea.

<http://www.chron.com/disp/story.mpl/front/6275317.html>

### **Update: ExxonMobil Returns Eight Point Thomson Leases to State of Alaska**

ExxonMobil returned eight Point Thomson leases to the State of Alaska, the state said last week, years after the company said it would begin oil production. The eight leases account for about one sixth of the total at Point Thomson; numerous other leases remain in contention. ExxonMobil agreed in 2002 to start production within four years from the returned leases, but no production has begun. The State agreed last month to let ExxonMobil and its partners retain two other drill leases, subject to a production start-up by 2014.

[http://www.rigzone.com/news/article.asp?a\\_id=73230](http://www.rigzone.com/news/article.asp?a_id=73230)

## **Natural Gas**

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### **Leak Shuts Spectra Energy's 18-inch Alaska Highway Natural Gas Pipeline in British Columbia**

A gas leak forced shut Spectra Energy's 18-inch Alaska Highway natural gas pipeline, but an RCMP official said the incident was not the result of sabotage. Workers were performing routine maintenance when the leak occurred. The company isolated the line, and said it would conduct an investigation before resuming flows. Two workers were sent to the hospital for unspecified, but non life-threatening injuries.

<http://cnews.canoe.ca/CNEWS/Canada/2009/02/20/8470031-cp.html>

### **Energy Transfer Partners Plans 1.25 Bcf/d, 42-inch, 180-mile, Texas-to-Louisiana Tiger Natural Gas Pipeline**

Energy Transfer Partners (ETP) launched a binding open season to solicit interest in its proposed 180-mile, 42-inch Tiger natural gas pipeline. The line would stretch from ETP's dual 42-inch pipeline system near Carthage, Texas, through the Haynesville Shale and end near Delhi, Louisiana. It is expected to have initial throughput capacity of at least 1.25 Bcf/d, but could increase to 2.0 Bcf/d, depending on shippers' interest. ETP plans to open the line in the first half of 2011. The open season will run from February 20, 2009 through March 20, 2009.

<http://www.energytransfer.com/PressReleases.asp?idPressRelease=272>

### **Multifuels LP Plans 5 Bcf Natural Gas Storage Facility in Arizona**

Multifuels LP plans to develop a 5 Bcf natural gas storage cavern in Arizona, a news source said February 20. The company is seeking a state exemption regarding compliance with underground water supply requirements.

<http://www.azstarnet.com/business/281040>

### **Update: Citing Finances, Nebraska Resources Abandons Plans for Natural Gas Pipeline in Nebraska**

The line would have run from Clay Center to Columbus, Nebraska. The company, however, said it was unable to find acceptable financing for the \$79 million project.

[http://www.kptm.com/Global/story.asp?S=9864173&nav=menu606\\_2](http://www.kptm.com/Global/story.asp?S=9864173&nav=menu606_2)

## **Other News**

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### **Energy Secretary Calls for Increased Government and Market Investment in Pumped Hydro Electricity and Compressed Air Storage**

DJN, 11:58 February 23, 2009

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
February 23, 2009			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	38.29	35.51	98.83
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.21	4.73	8.90

Source: Reuters

## Energy Notes

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**Power Feed Failure Cuts Electricity Briefly to about 20,000 Warren Rural Electric Cooperative Corp. Customers in Kentucky February 23**

<http://bgdailynews.com/articles/2009/02/23/news/news7.txt>

**Tornados Down Trees and Power Lines, Cutting Electricity to about 13,400 Customers in Georgia February 18-19**

<http://www.msnbc.msn.com/id/29278143/>

**Hydrocracker Valve Leak at ExxonMobil's 567,000 b/d Baytown, Texas Refinery over Weekend—No Affect to Production, Company Says**

<http://uk.reuters.com/article/rbssEnergyNews/idUKN2332968020090223>

<http://www1.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=120401>

**Alaskan Legislators Okay 77 Small Renewable Energy Projects**

<http://www.platts.com/Oil/News/7683503.xml?p=Oil/News&sub=Oil>

**Colorado Interstate Gas Declares Force Majeure on Compressor Unit Shutdown at Mocane Natural Gas Field in Oklahoma—to Reduce Production from 43 MMcf/d to 28 MMcf/d**

<http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=CP&sSubCategory=Critical&sNoticeId=766>

**Update: EXCO Says Subsidiary Pipeline Damaged by February 11 Explosion at DCP Midstream's Gas Processing Plant in Texas—Pipeline Was Restored to Full Capacity by February 17 after Slight Impact**

Reuters, 17:44 February 20, 2009

**Foundation Coal Workers Return to Emerald Mine February 16 after Potentially Deadly Gas-and-Oxygen Mix Forces Week-long Evacuation—Company Says Disruption Will not Impact Customer Deliveries**

[http://www.heraldstandard.com/site/news.cfm?newsid=20265055&BRD=2280&PAG=461&dept\\_id=480247&rfti=6](http://www.heraldstandard.com/site/news.cfm?newsid=20265055&BRD=2280&PAG=461&dept_id=480247&rfti=6)

**Update: Alberta Issues Environmental Impact Assessment for UTS Energy's Proposed 50,000 b/d Equinox Oil Sands Project, 100,000-160,000 b/d Frontier Oil Sands Project in Canada**

[http://www.rigzone.com/news/article.asp?a\\_id=73195](http://www.rigzone.com/news/article.asp?a_id=73195)

**Saudi Aramco and Shell's Jointly-Owned 305,000 b/d Jubail Refinery Resumes Oil Exports after Bad Weather Disrupts Flows for Four-to-Five Days—Shipping Sources**

<http://uk.reuters.com/article/hotStocksNews/idUKLN35664320090223>

**Amid Reduced Oil-and-gas Production, Saudi Arabia to Begin Fuel Oil Imports Months Earlier than Normal in 2009, in Effort to Meet Summer Power Demand—Aside from the Summer, Saudi Arabia Usually Exports 85,000-to-120,000 b/d of Fuel Oil**

Reuters, 10:48 February 23, 2009

**Update: Iran Increases Production at Offshore Abuzar Oilfield from 100,000 b/d to 127,000 b/d, Oil Ministry Says—mid-February Gas Leak Reduced Field Output by 40,000 b/d**

Reuters, 08:02 February 23, 2009

**Update: Iranian Oil Exports from Main Kharg Island Terminal Resume February 22 after Approximately Five-Day, Weather-Related Disruption—Senior Official Denies Impact to Exports**

Reuters, 02:09 February 23, 2009

Reuters, 01:14 February 23, 2009

**Kuwait Suspends, Restarts More than 2 Million b/d of Oil Exports on Harsh Weather February 22**

Reuters, 14:09 February 22, 2009

**Mexico Shuts Dos Bocas, Coatzacoalcos and Cayo Arcas Oil Ports in Gulf of Mexico February 22—Reopens Coatzacoalcos February 23**

Reuters, 11:23 February 23, 2009

Reuters, 11:34 February 22, 2009

**Gunmen Assault Nigerian Troops at Agip's Twon Brass Oil Terminal in Nigeria February 21—Forces Repel Attack, See no Production Impact**

<http://uk.reuters.com/article/africaCrisis/idUKLM573139>

## **Links**

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***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](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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