



ENERGY ASSURANCE DAILY

Tuesday Evening, February 28, 2012

Electricity

Update: Progress Energy to Begin Refueling Outage Early at Its 872 MW Brunswick Nuclear Unit 1 in North Carolina after Completing Unplanned Repairs

Progress Energy reported it will not restart Unit 1 at the Brunswick nuclear power plant after completing unplanned repairs, opting instead to begin a refueling outage a few days earlier than scheduled, a company spokesman said on Monday. Operators shut the unit February 23 after a problem with the power supply to the emergency core cooling system. Refueling procedures are scheduled to begin later this week.

Reuters, 16:16 February 27, 2012

Update: Dominion's 1,130 MW Millstone Nuclear Unit 3 in Connecticut at Full Power by February 28

On the morning of February 27 the unit was operating at 75 percent.

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

Update: DTE Energy, Macpherson Energy's 44 MW Mt. Poso Cogeneration Power Plant in California at Full Power February 22 after Conversion from Coal to Biomass Fuel

Macpherson Energy Company and DTE Energy Services (DTEES) announced in a February 22 release that Kern County's Mt. Poso cogeneration plant is completely converted to run 100 percent biomass fuel instead of coal, and it is successfully delivering its full capacity of 44 MW of energy to the California grid. The plant operates primarily on urban and agricultural wood waste. The conversion project at Mt. Poso began in November 2010, and the plant began producing limited amounts of power in November 2011. Since then workers have adjusted operations to ramp generation up to full capacity.

<http://www.power-eng.com/news/2012/02/27/dte-energy-and-macpherson-energy-convert-cogeneration-plant-from-coal-to-100-biomass-fuel.html>

Petroleum

Update: Crude Vacuum Unit Equipment Failure the Likely Cause of Fire at BP's 225,000 b/d Cherry Point, Washington Refinery – Manager

The manager of BP's Cherry Point refinery said a fire that shut the plant February 17 was most likely caused when a failure in the crude vacuum unit led to the release of some heavier crude, which ignited when it came into contact with air. The company is focusing on how the equipment failed and how to prevent it from happening in the future, according to the manager, who said the facility is still mostly shut down as everyone focuses on the investigation. A spokesman declined to guess how long the refinery might be shut, according to reports.

<http://www.thenewstribune.com/2012/02/27/2044133/equipment-failure-blamed-for-bp.html>

<http://www.kplu.org/post/bp-refinery-shutdown-starting-look-lengthy>

Low Feed Rates Lead to Flaring at Chevron's 245,271 b/d Richmond, California Refinery February 27

Chevron Corp. reported flaring due to low feed rates at its Richmond refinery on Monday, according to a notice filed with the California Emergency Management Agency.

<http://www.reuters.com/article/2012/02/28/refinery-operations-chevron-richmond-idUSWNAB702820120228?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

Flint Hills Shuts Pump at Its 163,000 b/d Corpus Christi, Texas Refinery for Unplanned Repairs February 28

Flint Hills Resources LP shut a diesel-driven pump on Monday in the west plant of its Corpus Christi refinery after operators observed smoke and cautiously treated the situation as a suspected fire, a company spokeswoman said. A malfunction on the pump appears to have caused the diesel engine to smoke excessively, she said, and the engine has been taken out of service for repair. The spokeswoman declined to specify the unit on which the malfunctioning pump is located, but a filing with state regulators said the unit is not used to produce fuels.

Reuters, 16:59 February 28, 2012

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=165426>

Valero Reports Normal Production at Its 310,000 b/d Port Arthur, Texas Refinery after Flaring Event February 27

Valero Energy Corp reported production at its Port Arthur refinery was not impacted by a flaring event it reported with regulators Monday morning, a company spokesman said on Tuesday. Operators did not know what caused the release of sulfur dioxide from flare No. 23 Monday, according to a filing with the U.S. National Response Center.

Reuters, 11:37 February 28, 2012

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1004059

Update: Nustar Restarts 6-Inch Diesel Pipeline in South Dakota February 24 after Repairing Leak

Nustar Energy said it restarted the diesel pipeline, which is part of its Midwest network, on Friday afternoon after repairing a leak it discovered in a remote area north of Aberdeen, South Dakota on February 24.

<http://www.reuters.com/article/2012/02/27/midwest-diesel-pipeline-idUSL2E8DR9VD20120227?feedType=RSS&feedName=marketsNews&rpc=43>

Western Refining Considers 25,000 b/d Expansion Project at Its 122,000 b/d El Paso, Texas Refinery to Process Increasing Volumes of Permian Crude

Western Refining reported it is evaluating a project to add 25,000 b/d of crude oil production capacity to process increasing volumes of crude oil from the Permian Basin, the company said in a call with investors Tuesday. The company said it is also undertaking a project to bring “higher-yielding” Avalon and Bone Spring Shale crude oil from the Permian Basin to the El Paso plant. The refinery expansion project will be focused on diesel production. The company is considering both domestic and Mexican markets for its refined products.

Reuters, 10:56 February 28, 2012

Update: Enbridge Launches Binding Open Season for 67,000 b/d Sanish Pipeline Project and 145,000 b/d Bakken Expansion Program

Enbridge today announced a second open season for the Bakken Expansion Program in conjunction with an open season for its proposed Sanish Pipeline. The proposed 36-mile, 12-inch Sanish Pipeline will transport a minimum of 67,000 b/d of crude oil production from Johnson’s Corner to Beaver Lodge, North Dakota. The Bakken Expansion Program open season will offer 145,000 b/d of incremental pipeline capacity on Enbridge’s system from Beaver Lodge into its terminal at Cromer, Manitoba when it comes into service in the first quarter of 2013. At Manitoba the Bakken Expansion line will connect with the Enbridge Mainline System, which offers access to refineries throughout the U.S. Upper Midwest, eastern Canada, U.S. Mid-Continent, and as far as the U.S. Gulf Coast.

http://www.enbridgepartners.com/Reports/reportif_partners.aspx?pl=0&rptSite=5&rpt=%2fphoenix.zhtml%3fc%3d63707%26p%3dirol-news%26nyo%3d0&tmi=475&tmt=5

Natural Gas

Update: Plains’ 150 MMcf/d Basile Gas Processing Plant to Remain Indefinitely Shut for Assessments and Repairs after Fire Last Weekend

Plains All American Pipeline, L.P. reported its Basile gas processing facility will remain offline indefinitely until repairs and an investigation into a fire late last week are completed, a company spokesman said. Operators were unsure why the fire broke out February 25, the company said in a release, but it had not impacted operations at area gas producers, third-party gas processing facilities, or natural gas pipelines.

<http://www.bloomberg.com/news/2012-02-27/louisiana-gas-plant-shut-indefinitely-after-fire-plains-says.html?cmpid=yahoo>

Southern Union Shuts Unit Due to Turbo-Expander Problems at Its 140 MMcf/d Keystone Gas Plant in Texas February 27

Southern Union Gas Services shut down Unit No. 20 on Monday due to ongoing turbo-expander problems, according to a filing with the Texas Commission on Environmental Quality. Operators were replacing the turbo-expander on the unit at the time of the filing.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=165397>

Other News

Nothing to report

International News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices February 28, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	108.00	105.72	98.84
NATURAL GAS Henry Hub \$/Million Btu	2.55	2.67	3.93

Source: Reuters

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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