



ENERGY ASSURANCE DAILY

Tuesday Evening, March 02, 2010

Electricity

Update: Fewer than 30,000 Customers Remain Without Power across Northeast United States after Windy Winter Storm February 24 – March 2

Just over 12,000 customers in New Hampshire, fewer than 12,000 customers in New York, about 1,900 customers in Maine, and scattered customers elsewhere remained without power on March 2, days after winter storms cut electricity to more than 1 million, multiple sources reported. For a list of affected states/utilities, click on the first link below.

<http://www.oe.netl.doe.gov/docs/eads/ead030110.pdf>

<http://psnhnews.com/latestnews.cfm?lnid=195>

<http://www.nhec.com/oms.php>

<http://stormcentral.cenhud.com/default.aspx>

<http://www.cmpco.com/OurCompany/News/2010/news100301e.html>

Reliant's 215 MW Mandalay Gas-fired Unit 1 in California Reduced by March 1

According to the California Independent System Operator, the unit reported an unplanned curtailment of 115 MW by March 1.

<http://www.caiso.com/unitstatus/data/unitstatus201003011515.html>

Update: Dominion's 871 MW Millstone Nuke Unit 2 in Connecticut Ramped Up to 98 Percent by March 2

Operators shut the unit due to the "loss of two circulating water pumps" on February 26, the company said in a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of March 1 the unit was operating at 60 percent.

<http://www.reuters.com/article/idUSN2614591020100226?type=marketsNews>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100301en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Officials Eye 2013 Start-Date for 268 MW Compressed Air-Based Power Plant in Iowa

The "Iowa Stored Energy Park" would store compressed air underground, and then release the air to power two 134 MW generators, according to a news source and the project's website. Officials began drilling a test well by March 2, and the project is slated to enter service in three years. It has received funding from the U.S. Department of Energy, and the Iowa Power Fund. Multiple utilities are expected to provide financing.

<http://www.desmoinesregister.com/article/20100302/BUSINESS/3020366/-1/AMES/Underground-drill-tests-begin-for-energy-storage-project>

http://www.isepa.com/about_isepe.asp

PG&E Plans \$7-10 Billion in Natural Gas, Electric Spending over Two Years in California

Included in PG&E's spending plans are upgrades to its electric and natural gas systems, adding smart meters, and a 500 MW solar panel program, a news source said. The company also aims to purchase an Iberdrola-owned, 246 MW wind farm. Some of the projects are contingent on regulatory approvals.

<http://www.nasdaq.com/asp/stock-market-news-story.aspx?storyid=201003011934dowjonesdjonline000687&title=pge-plans-to-spend-7-billion-to-10-billion-on-projects-over-next-2-years>

<http://www.nasdaq.com/asp/stock-market-news-story.aspx?storyid=201003011934dowjonesdjonline000687&title=pge-plans-to-spend-7-billion-to-10-billion-on-projects-over-next-2-years>

Unit Snag Triggers Flaring at Chevron's 245,000 b/d Richmond, California Refinery March 2

Chevron "lost a process plant with minor flare activity" on March 2, it said in a filing with state regulators. It was not clear if the incident had any impact to production.

Bloomberg News, 12:44 March 2, 2010

Motiva Restarts FCC after Brief Shutdown at 236,400 b/d Norco, Louisiana Refinery March 1-2

Motiva restarted the fluid catalytic cracker (FCC), but did not indicate if the incident had impacted production.

Bloomberg News, 11:55 March 2, 2010

Citgo Slows Rates after Unit Shutdown at 167,000 b/d Lemont, Illinois Refinery by March 2

Unspecified problems forced shut a crude unit late last week, forcing Citgo to reduce rates at its 167,000 b/d Lemont, Illinois refinery, trade sources said on March 2. Pending repairs, the unit should resume service by the end of this week.

Reuters, 09:46 March 2, 2010

Update: Sinclair Resumes Normal Operations at 80,000 b/d Sinclair, Wyoming Refinery by March 2

Power failures forced shut the facility twice in December, 2009, a news source said.

Reuters, 10:55 March 2, 2010

Alaskan Oil Production Slides 9.2 Percent, Year-on-Year, in February 2010

Alaskan oil production averaged 681,041 b/d in February 2010, compared to 750,034 b/d in February 2009, according to a report from the Alaska Tax Division. The figure, however, was down only slightly—511 b/d—from January 2010.

Bloomberg News, 17:58 March 1, 2010

Petrobras Expects First Oil in Mid-2010 from Planned 80,000 b/d Cascade and Chinook Oilfields in U.S. Gulf of Mexico

The project could yield 80,000 b/d within two years.

http://www.rigzone.com/news/article.asp?a_id=88599

Enbridge Says Excess Capacity Could Keep Canada-to-U.S. Oil Pipelines at Reduced Rates until 2017

Enbridge's pipeline portfolio includes the newly-opened, 450,000 b/d, 1,000-mile, Alberta-to-Wisconsin Clipper line. That line, however, will compete with TransCanada's 435,000 b/d, Alberta-to-Illinois pipeline, slated to open later this year.

<http://www.bloomberg.com/apps/news?pid=20601082&sid=aZS87cljdOms>

<http://www.enbridge-expansion.com/expansion/main.aspx?id=1218>

PdVSA's 320,000 b/d Isla, Curacao Refinery Offline Shut by Strike and Power Problems by March 2

The facility shut due to a power cut on March 1, and workers launched an indefinite strike by March 2, a news source and union leader said.

Reuters, 12:06 March 2, 2010

Russian Oil Production Hits Monthly Record 10.08 Million b/d in February 2010

Russia has, for six months, been the only country to produce more than 10 million b/d of oil.

<http://www.calgaryherald.com/Russia+output+hits+high+February/2631666/story.html>

Earthquake Forces Shut Chilean Refineries, Halts Loading at Quintero LNG Terminal

Chile's ENAP shut its 116,000 b/d Bio Bio refinery and its approximately-100,000 b/d Aconcagua refinery after the weekend earthquake, the state-owned company said by March 1. ENAP expected to restart the Aconcagua facility next week, it said on March 2. The company said it had enough gasoline to provide for two weeks of demand, and enough diesel to account for 10 days. Despite that, it planned to import more diesel. Separately, the earthquake damaged the loading arm at BG's Quintero LNG terminal; the company said it was not accepting vessels, and did not have a timetable for restoration.

<http://www.reuters.com/article/idUSTRE61R2WL20100301>

Reuters, 12:28 March 2, 2010

Natural Gas

Southern Star Shuts 26-inch Natural Gas Pipeline in Kansas by March 2

Southern Star Central Gas Pipeline shut the line due to a leak, but did not expect the incident to impact service, a company official said. Another line runs parallel to the affected line, he said.

Bloomberg News, 11:14 March 2, 2010

Update: CIG to Complete Repairs at 115 MMcf/d Los Cabin Compressor Station in Wyoming by March 4

Colorado Interstate Gas (CIG) declared force majeure at the facility on December 19, 2009, citing a coolant leak and extensive damage, according to a previous filing. The incident slowed the site's capacity by 25 MMcf/d, to a total 90 MMcf/d. The company expects to complete repairs and lift the force majeure, effective March 4, 2010.

<http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=CIG&sSubCategory=Critical&sNoticeId=7986>

<http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=CIG&sSubCategory=Critical&sNoticeId=8000>

El Paso Opens 945 MMcf/d, approximately 190-mile Elba Express Natural Gas Pipeline, Completes Expansion of Elba Island LNG Terminal in Georgia by March 2

El Paso Corporation's subsidiary, Southern LNG, Inc., opened three new vaporizer units at its Elba Island LNG receiving terminal near Savannah, Georgia, boosting the site's send-out capacity to 1.75 Bcf/d on March 1, El Paso said in a release. Separately, Elba Express Company, L.L.C., another El Paso subsidiary, opened the 945 MMcf/d, approximately 190-mile Elba Express Pipeline by March 2. That line delivers natural gas from the Elba Island LNG terminal to customers in the southeastern and eastern United States.

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1397563&highlight=>

Cardinal Pipeline Company Plans 199,000 Dth/d Expansion along Existing 279,000 Dth/d, 24-inch, 105-mile Cardinal Natural Gas Pipeline System in North Carolina

Cardinal Pipeline Company expects to open the "Cardinal System Expansion" project in July 2012.

<http://www.williamspl.com/profiles/investor/ResLibraryView.asp?ResLibraryID=36514&GoTopage=1&Category=1800&BzID=1296>

Korea Gas Corp, Encana to Produce Canadian Natural Gas, Beginning in 2017

Korea Gas Corp and Encana expect to produce 1.1 million tons of natural gas/year, for 40 years, starting in 2017, from three fields in British Columbia according to Korea Gas. The companies will split the production, Encana said.

http://online.wsj.com/article/BT-CO-20100301-710692.html?mod=WSJ_World_MIDDLEHeadlinesAsia

http://www.rigzone.com/news/article.asp?a_id=88625

Other News

DOE Announces \$100 Million for Innovative Research Project

U.S. Energy Secretary Steven Chu announced \$100 million in Recovery Act funding will be made available to accelerate innovation in green technology, increase America's competitiveness and create new jobs, the Department of Energy (DOE) said in a release. The announcement, ARPA-E's third round of funding opportunity, is focused specifically on three technology areas: Grid-Scale Rampable Intermittent Dispatchable Storage (GRIDS), Agile Delivery of Electrical Power Technology (ADEPT), and Building Energy Efficiency Through Innovative Thermodevices (BEET-IT). To read more, click on the link below.

<http://www.energy.gov/news/8696.htm>

Energy Prices

U.S. Oil and Gas Prices March 2, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	80.90	78.31	40.08
NATURAL GAS Henry Hub \$/Million Btu	4.83	4.92	4.04

Source: Reuters

Energy Notes

Update: CPS Energy Board Okays Proposed Settlement with Nuclear Innovation North America and NRG Energy, Paving Way for 2,700 MW “South Texas Project” Nuclear Power Proposal in Texas

<http://sanantonio.bizjournals.com/sanantonio/stories/2010/03/01/daily6.html?ana=yfcpc>

Update: Citing Shareholders and Economic Concerns, Southern Co. Drops Plans for Carbon Capture and Sequestration System at Plant Barry Power Facility in Alabama

http://www.treehugger.com/files/2010/03/southern-company-no-ccs-alabama.php?campaign=th_rss

Update: FAA Okays Gamesa Energy’s Planned 66 MW Wind Farm in Somerset County, Pennsylvania

<http://www.post-gazette.com/pg/10060/1039364-56.stm>

Fire Destroys Agland Co-op Cenex Gas Station in Wolf Point, Montana February 27

http://billingsgazette.com/news/state-and-regional/montana/article_0eeda0ee-240b-11df-a08b-001cc4c03286.html

Mexico Shuts 1,006,000 b/d Cayo Arcas Oil Port and 113,000 b/d Dos Bocas Oil Port on Harsh Weather in Gulf of Mexico March 2

Reuters, 11:21 March 2, 2010

Kazakhstan Mulling Caspian Sea-to-Black Sea Oil Pipeline through Caucasus

<http://uk.reuters.com/article/idUKLDE6211TA20100302>

Update: BHP Billiton Begins Oil Production at Pyrenees Oil Project Offshore Australia—Project to Include 96,000 b/d FPSO

http://www.rigzone.com/news/article.asp?a_id=88553

Worker Dies in Accident at Chesapeake Operating, Inc.-Owned Natural Gas Drilling Location in Louisiana February 28

<http://www.ksla.com/Global/story.asp?S=12058603>

University of Florida, Buckeye Technologies, Florida Legislature Representatives Break Ground on Stan Mayfield Biorefinery Pilot Plant in Florida March 1—Facility to Enter Service in Spring 2011

<http://news.ufl.edu/2010/03/01/biorefinery-pilot-plant-in-perry/>

President Obama Outlines Details of "HOMESTAR" Program March 2—Would Encourage Americans to Invest in Energy Saving Home Upgrades

<http://www.whitehouse.gov/the-press-office/fact-sheet-homestar-energy-efficiency-retrofit-program>

UTC Power's 400 kW Fuel Cell System Certified to Meet Latest Emission Standards of California Air Resources Board by March 2

http://www.utcpower.com/fs/com/bin/fs_com_Page/0,11491,0330,00.html

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

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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