



ENERGY ASSURANCE DAILY

Thursday Evening, March 10, 2011

Electricity

PG&E's 407 MW Helms Hydro Unit 2 in California Shut by March 9

According to the California Independent System Operator, the unit reported an unplanned outage by March 9.
<http://www.caiso.com/unitstatus/data/unitstatus201103091515.html>

Reliant's 320 MW Etiwanda Gas-Fired Unit 3 in California Shut by March 9

According to the California Independent System Operator, the unit reported an unplanned outage by March 9.
<http://www.caiso.com/unitstatus/data/unitstatus201103091515.html>

Update: CDWR's 210 MW Pine Flat Hydro Unit in California Returns to Service by March 9

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 100 MW.
<http://www.caiso.com/unitstatus/data/unitstatus201103091515.html>

Update: PPL's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Ramped Up to 9 Percent by March 10

PPL shut the unit on March 4 to conduct valve maintenance, the company said previously. The Nuclear Regulatory Commission reported that on the morning of March 9 the unit was not operating.
<http://stage2.mediaroom.com/pplweb/index.php?s=12270&item=27119>
Information also derived from the NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Luminant's 1,150 MW Comanche Peak Nuclear Unit 2 in Texas Reduced to 77 Percent by March 10

The Nuclear Regulatory Commission reported that on the morning of March 9 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/2011/>

Two Units Shut at Calpine's 1,153 MW Greenfield Gas-Fired Power Plant in Ontario, Canada by March 9

The 212 MW Unit 2 and the 212 MW Unit 3 went offline by late on March 9, according to a report from the Independent Electricity System Operator.
Reuters, 00:46 March 10, 2011

AEP to Shut 5,000-6,000 MW of Coal-Fired Power, Replace Most Capacity with Gas-Fired Units

American Electric Power plans to replace between 5,000 MW and 6,000 MW of smaller coal-fired power units with mostly gas-fired units, rather than upgrading the coal-based units to meet new environmental regulations.
<http://finance.yahoo.com/news/Utilities-Dump-Coal-For-ibd-2758297621.html?x=0&.v=1>

Update: Design Changes to Postpone Review Process by More than a Year in Dominion's and Luminant's Bids to Construct New Nuclear Power Units in Virginia and Texas

The Nuclear Regulatory Commission (NRC) expects to finish its safety review for two nuclear power projects – Luminant's plan to construct two new 1,700 MW units at its existing Comanche Peak plant in Texas and Dominion's plan to build a 1,700 MW unit at its North Anna plant in Virginia – more than a year later than previously planned, the agency said in letters to the companies, due to design changes to the proposed units. Both companies plan to use Mitsubishi Heavy Industries' Advanced Pressurized Water Reactor (APWR). Mitsubishi, however, recently made changes to the design. The NRC had expected to complete the safety review for the Comanche Peak units by December 2011 and the North Anna unit by February 2011; it now aims to finish the reviews by June 2013 and July 2013, respectively.

<http://www.powergenworldwide.com/index/display/articledisplay/0900626969/articles/powergenworldwide/nuclear/reactors/2011/03/US-projects-delayed.html>

Photovoltaic Solar Power Capacity Rises by 878 MW in 2010: Solar Energy Industries Association, GTM Research

The U.S. solar energy industry installed 878 MW of photovoltaic power capacity and 78 MW of concentrating solar power (CSP) capacity in 2010, the Energy Industries Association and GTM Research said in a newly-released report. The 878 MW total was more than double the amount that the industry added in 2009.

<http://www.prnewswire.com/news-releases/us-solar-energy-industry-experiences-record-breaking-growth-in-2010-117725548.html>

Petroleum

Amid Increased Violence, Libya Exporting "Well Below" 500,000 b/d of Crude Oil by March 10: IEA

Libya was exporting "well below" 500,000 b/d of oil, the International Energy Agency (IEA) said on March 10, as violence continued near oil installations throughout the North African nation. IEA's new assessment, while non-specific, marked a significant change from its prior estimate: the agency said on March 4 that Libya's ports had sent out between 500,000 and 600,000 b/d of crude over the previous week. The ports exported 1.337 million b/d of oil in 2010. IEA did not update its estimate of lost production. The agency said last week that about 1.0 million b/d of output – out of a total 1.6 million b/d – was offline. IEA also relayed reports that bombings had apparently damaged oil infrastructure around Es Sider and Ras Lanuf. The Es Sider port was scheduled to load 447,000 b/d of oil in January 2011; the Ras Lanuf port was expected to load 195,000 b/d, Reuters said, citing IEA data. Libyan authorities, meanwhile, directed a Chinese-charted Very Large Crude Carrier (VLCC), to leave the Es Sider port without its cargo, a trading source said on March 10. The tanker had been expected to receive 2 million barrels of oil. Eni, which has already shut in about two-thirds of its Libyan oil production, said today that it expected to take offline its remaining capacity in a few days.

<http://www.iea.org/files/oilmarket%20and%20LibyansituationupdateMarch%2010.pdf>

http://www.iea.org/files/libyan_update_040311.pdf

http://www.nytimes.com/2011/03/11/world/africa/11libya.html?_r=1&hp=&adxnnl=1&adxnnlx=1299783760-yWk5mxqafXFruTHNhe98bA

<http://af.reuters.com/article/algeriaNews/idAFTOE72904C20110310>

Reuters, 12:31 March 10, 2011

DJN, 12:33 March 10, 2011

OPEC Oil Production Rises to 29.8 Million b/d in February 2011, Compared to 29.57 Million b/d in January 2011: Platts Survey

The Organization of the Petroleum Exporting Countries (OPEC) produced 29.8 million b/d of crude oil, on average, in February 2011, or 230,000 b/d more than in January 2011, according to a Platts Survey released on March 9. Libya, which produced 1.58 million b/d in January 2011, produced about 1.39 million b/d in February 2011. Saudi Arabian production, conversely, rose 300,000 b/d to 8.7 million b/d. A Platts official said Libya's output would likely slide by 1 million b/d (compared to its total production capacity) in March 2011.

<http://www.prnewswire.com/news-releases/platts-survey-opec-pumps-298-million-barrels-of-oil-per-day-in-february-117655623.html>

Malfunction Forces Shut Unit at Frontier's 130,000 b/d El Dorado, Kansas Refinery by March 10

The incident led to flaring, according to a regulatory filing. It was not clear which unit was shut or whether the incident impacted production. The filing, however, said that the company had restarted a compressor and secured the release.

Reuters, 00:19 March 10, 2011

U.S. Crude Oil Production to Dip by 110,000 b/d in 2011, another 130,000 b/d in 2012: EIA

U.S. crude oil production rose by 150,000 b/d in 2010 to 5.51 million b/d, but that total will drop by 110,000 b/d in 2011 and another 130,000 b/d in 2012, the Energy Information Administration (EIA) said in its Short-Term Energy Outlook on March 8.

<http://www.eia.doe.gov/emeu/steo/pub/contents.html>

Update: After March 9 Bomb Attack, Iraq-to-Turkey Oil Export Pipeline to Remain Offline for Three to Seven Days

Iraq expects to finish repairing the line in three to seven days, according to a source at the nation's North Oil Company. News sources conflicted as to the size of the affected pipeline; it generally transports between 400,000 b/d and 500,000 b/d of oil, based on the sources.

<http://www.businessweek.com/ap/financialnews/D9LRSKC02.htm>

<http://www.cnn.com/2011/WORLD/meast/03/10/iraq.pipeline.explosion/>

http://www.straitstimes.com/BreakingNews/World/Story/STIStory_643642.html

Oilsands Quest Eyes 30,000 b/d Oil Sands Project at Wallace Creek Site in Alberta, Canada

The company hopes "to demonstrate the potential for the project," its CEO said on March 9.

<http://www.oilsandsquest.com/pdf/nr-Mar9-2011.pdf>

Natural Gas

Quebec Bans Most Exploratory Shale Gas Drilling throughout Province March 8 – Government Calls for More Study

Quebec's Environment Minister banned most exploratory shale gas drilling throughout the province on March 8, according to news and official sources, after a government report called for further environmental studies of the practice. The ban would not apply to projects that could aid in the studies. The studies could take at least one year, according to industry analysts.

http://www.rigzone.com/news/article.asp?a_id=104972

http://www.rigzone.com/news/article.asp?a_id=104989

<http://www.reuters.com/article/2011/03/09/us-questerre-shares-idUSTRE7284CT20110309>

Price Concerns Lead ConocoPhillips to Cut Natural Gas Production by 6 Percent, Year-Over-Year, in 2011 – Company Producing 225,000 Boe/d of Natural Gas

ConocoPhillips shut 12 percent of its Canadian natural gas production for three months at the end of 2010, and even though it has restarted production at those locations, low natural gas prices have led it to drill substantially fewer wells, a company official said recently. The company is producing just 225,000 boe/d of natural gas, or 6 percent less than in 2010, according to the official. "We're not really necessarily focusing on maintaining production," the official said.

<http://www.theglobeandmail.com/report-on-business/conocophillips-cuts-drilling-of-new-gas-wells/article1935803/>

Other News

NERC Forms Task Force to Consider Impact of Cyber Attack on Reliability of Electric Grid

The North American Electric Reliability Corporation (NERC) formed the Cyber Attack Task force to consider the impacts of a coordinated cyber attack on the reliability of the bulk power system, NERC said last week. The task force is expected to identify opportunities to enhance existing protection, resilience and recovery capabilities associated with power system operations practices, plans and procedures, as well as the tools and systems that operators rely upon to manage the reliable operation of the bulk power system.

http://www.nerc.com/fileUploads/File/News/PR_Cyber_AssetTF_02MAR11.pdf

Energy Prices

U.S. Oil and Gas Prices March 10, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	101.76	100.43	81.64
NATURAL GAS Henry Hub \$/Million Btu	3.81	3.79	4.51

Source: Reuters

Energy Notes

Storms Knock Out Power to 17,000 Alabama Power Customers in Alabama March 9 – Company Restores Power to Nearly all Customers by Late Afternoon

http://www.fox10tv.com/dpp/news/local_news/mobile_county/power-outages-linger-after-severe-storm

Storms Knock Out Power Briefly to about 16,000 Tampa Electric Customers in Florida March 10

<http://www.tampabay.com/news/weather/storms-bring-heavy-rain-lightning-and-strong-winds-to-tampa-bay/1156400>

National Grid Reports 10,028 Customers without Power in New York March 10

<http://www1.nationalgridus.com/niagaramohawk/stormcenter/>

Amid Rise in Copper Thefts, SMECO, Local Organization Offer up to \$5,000 Reward for Information Leading to Arrest/Indictment of Copper Thieves in Southern Maryland March 8

<https://www.smeco.coop/news/press/coppertheft.htm>

Update: Alberta Utilities Commission Okays Greengate Power's Plan to Construct 300 MW Blackspring Ridge I Wind Project in Alberta, Canada - Company to Break Ground in 2012, Open Project in 2013

<http://www.prnewswire.com/news-releases/greengate-power-receives-provincial-approval-for-canadas-largest-wind-energy-project-117728368.html>

Gradient Resources Plans 60 MW Geothermal Power Project in Nevada – Company to Break Ground in Second Quarter 2011, Begin Operations in Third Quarter of 2012

<http://www.prnewswire.com/news-releases/gradient-resources-signs-epc-agreement-with-saics-benham-constructors-for-a-60-mw-geothermal-binary-power-development-at-patua-117727793.html>

Exports are “the Future” of U.S. Refining Industry: Valero CEO

Reuters, 11:38 March 10, 2011

Striking Workers Block Product Shipments from Petroplus’s 85,000 b/d Reichstett Refinery in France March 10

Reuters, 09:26 March 10, 2011

Eni Producing Natural Gas/Condensate from Appraisal Well in Culzean Structure, U.K. North Sea – Company Refers to Culzean as one of Most Significant and Promising Discoveries Made Recently in U.K. North Sea

http://www.eni.com/en_IT/media/press-releases/2011/03/2011-03-10-eni-announces-significant-discovery-North-Sea.shtml

Update: FERC Authorizes Golden Pass LNG to Launch Commercial Operations at LNG Terminal in Texas March 10

Reuters, 12:41 March 10, 2011

SRU Shutdown Leads to Flaring at Sneed Booster Station in Texas March 9

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151799>

Operators Shut Fritch Compressor Station in Texas to Fix Fuel Line March 9

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151798>

Shutdown at Willard Plant Leads to Flaring at Bennett Ranch Unit Central Tank Battery in Texas March 9-12

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151795>

DCS Malfunction Leads to Plant-wide Shutdown at Fullerton Gas Plant in Texas March 9 – Plant Returned to Service within Hours

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151789>

SRU Shutdown Forces Offline Goldsmith Gas Plant in Texas March 10 – Unit Restarted in Less than Two Hours

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151802>

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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