



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

# ENERGY ASSURANCE DAILY

Thursday Evening, March 11, 2010

## *Electricity*

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### **Update: Entergy Restarts 1,207 MW Grand Gulf Nuke Unit 1 in Mississippi by March 11**

The unit shut automatically due to "low reactor water level" by March 9, the company said in a previous filing with the Nuclear Regulatory Commission (NRC). Entergy returned the unit to 1 percent power by this morning, March 11. The NRC reported that on the morning of March 10 the unit was not operating.

Bloomberg News, 08:45 March 11, 2010

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

Information also derived from the NRC Power Reactor Status Reports:

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

### **Update: Southern's 830 MW Farley Nuke Unit 1 in Alabama at Full Power by March 11**

The Nuclear Regulatory Commission reported that on the morning of March 10 the unit was operating at 85 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **Update: Delta Energy Center, LLC's 880 MW Delta Energy Center Gas-fired Unit in California Ramps up by March 10**

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 300 MW.

<http://www.caiso.com/unitstatus/data/unitstatus201003101515.html>

### **Oglethorpe Power Corporation Plans 605 MW Gas-fired, "Combined Cycle" Power Plant in Georgia**

The company expects to break ground in 2013 and open the facility in 2015, it said in a news release.

<http://www.prnewswire.com/news-releases/oglethorpe-power-to-build-gas-fired-generating-plant-87234697.html>

### **Update: Plutonic Power, General Electric Postpone Planned 1,030 MW Bute Inlet Hydroelectric Power Project in British Columbia, Canada**

The companies postponed the plans by 12 to 18 months "in order to allow for further data collection, studies and due-diligence," according to a news release. The project would include 17 facilities, and generate up to 1,030 MW of electricity. It could enter service in 2014, based on the new timeline.

<http://www.theglobeandmail.com/news/national/developers-delay-4-billion-bute-hydro-project/article1496990/>

[http://www.plutonic.ca/s/PressReleases.asp?ReportID=389050&\\_Type=Press-Releases&\\_Title=GE-Energy-Financial-Services-and-Plutonic-Power-Corporation-Issue-Clean-Pow...](http://www.plutonic.ca/s/PressReleases.asp?ReportID=389050&_Type=Press-Releases&_Title=GE-Energy-Financial-Services-and-Plutonic-Power-Corporation-Issue-Clean-Pow...)

<http://www.plutonic.ca/s/ButeInlet.asp?reportid=107480>

## *Petroleum*

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### **Sunoco Shuts Leaky Exchanger at 160,000 b/d Toledo, Ohio Refinery March 8**

The leak was letting hydrocarbons into a cooling water system, the company said in a filing with the Toledo Division of Environmental Services. The problem could have begun on January 12, according to the filing. It was not clear if the incident had any impact to production. The company expects to begin planned turnaround work tomorrow.

Bloomberg News, 11:46 March 11, 2010

### **Update: Valero to Restart Fire-Downed 66,000 b/d FCC by Mid-April at 265,000 b/d Quebec, Canada Refinery**

A fire forced shut the 66,000 b/d fluid catalytic cracker (FCC) in early February, according to a news source. The refinery is running at just less than 200,000 b/d, a company spokesman said.  
Bloomberg News, 13:49 March 11, 2010

### **Valero Plans 100,000 b/d Oil Product Pipeline in Quebec, Canada**

The line would deliver gasoline and distillate fuels from the company's 265,000 b/d refinery near Quebec City to a fuel storage facility on the island of Montreal, Valero said. The company expects to break ground in late summer or early fall, 2010, and could expand the line's capacity to 170,000 b/d.  
Bloomberg News, 13:49 March 11, 2010

### **Carbon Capture and Enhanced Oil Recovery Could Increase U.S. Crude Output by 3-to-3.6 Million b/d—Advanced Resources International**

The United States could, through enhanced oil recovery with carbon capture and storage, increase its crude production by 3-to-3.6 million b/d and reduce oil imports by up to 52 percent by 2030, Advanced Resources International said in a report. The effort would also sharply reduce carbon dioxide emissions. To read the report, click on the first link below.

<http://adv-res.com/pdf/ARI%20CCS-CO2-EOR%20whitepaper%20FINAL%203-10-10.pdf>

<http://www.chron.com/disp/story.mpl/business/6907504.html>

<http://www.prnewswire.com/news-releases/new-study-federal-energy-and-climate-legislation-could-slash-us-dependence-on-foreign-oil-through-enhanced-oil-recovery-with-captured-carbon-emissions-87248842.html>

### **Virginia Governor Signs Law in Support of Offshore Oil-and-Gas Exploration March 10**

The law would allocate 80 percent of future offshore royalties and revenues to transportation and the remaining 20 percent to a renewable energy research consortium, according to a release on Virginia Governor Bob McDonnell's website. Drilling, however, would first require federal approval. The Interior Department is expected to decide soon whether it will auction any offshore Virginia oil-and-gas leases.

<http://www.governor.virginia.gov/news/viewRelease.cfm?id=66>

<http://www.google.com/hostednews/ap/article/ALeqM5jorpxXdIbUy97mUDotpSggCz71YQD9EC25100>

### **Exxon Mobil to Increase Global Oil-and-Gas Production by 1.5 Million Boe/d by 2015**

The company expects to launch production at 12 major projects between 2010 and 2012.

<http://www.nasdaq.com/aspx/stock-market-news-story.aspx?storyid=201003110905dowjonesdjonline000541&title=exxon-mobil-to-spend-25-billion-30-billion-per-year-through-2014>

### **Osum Says Alberta, Canada Reserves Could Yield More Than 200,000 b/d of Oil Production**

Osum's Taiga location at Cold Lake, Alberta holds "Proved plus Probable Reserves" of 320 million barrels of oil, an independent evaluation showed. The company submitted plans last year to produce 35,000 b/d of crude from Taiga, but said yesterday that the site—combined with the company's 2.1 billion barrels of best estimate contingent recoverable resources—could generate more than 200,000 b/d of oil for beyond 30 years.

<http://www.osumcorp.com/media/press/?n=1056>

### **Update: Petrobras Plans 180,000 b/d FPSO at Roncador Oilfield Offshore Brazil**

Petrobras expects to install the floating production, storage and offloading (FPSO) vessel at its Roncador field, in the Campos Basin offshore Brazil, a project affiliate said in a release. The vessel, or FPSO P62, will be able to process more than 180,000 b/d of oil, inject more than 250,000 b/d of water, and store 1.6 million barrels of crude. It is part of the field's 4<sup>th</sup> development phase.

<http://www.jspl.com.sg/11-03-10.pdf>

### **Peru Sees First Oil in Third Quarter 2013 at Planned 100,000 b/d "Block 67"**

Block 67, located in the Mara  n Basin, includes the Paiche, Dorado and Pira  a oilfields; it contains more than 300 million barrels of oil reserves, according to a news source.

[http://pipelinesinternational.com/news/perenco\\_submits\\_eis\\_for\\_oil\\_pipeline/034409/](http://pipelinesinternational.com/news/perenco_submits_eis_for_oil_pipeline/034409/)

## **Despite Increased Oil Demand, OPEC Expects Global Oversupply**

The Organization of Petroleum Exporting Countries (OPEC) expects global oil demand to rise by 900,000 b/d in 2010, compared to a 1.4 million b/d slide in 2009, according to its most recent Oil Market Report. Despite the projected rise, the group says the market is still oversupplied. If member nations fail to reduce production, global oil inventories could surge by 1.1 million b/d, or a total 200 million barrels, during the first half of 2010, according to OPEC.

<http://www.energyintel.com/#latest>

[http://www.ogj.com/index/article-display/6036278029/articles/oil-gas-journal/general-interest-2/economics-markets/2010/03/opec-revises\\_2010.html](http://www.ogj.com/index/article-display/6036278029/articles/oil-gas-journal/general-interest-2/economics-markets/2010/03/opec-revises_2010.html)

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## **Natural Gas**

### **Buoyed by Shale Gas, North American Natural Gas Reserves Could Satisfy More than 100 Years of Demand—IHS CERA**

North America has discovered more than 1,800 Tcf of natural gas over the past three years—largely in shale and other unconventional sources—and the continent now boasts more than 3,000 Tcf of reserves, or enough to satisfy more than a century of customer demand, IHS CERA says in a new report. Shale gas accounted for just 1 percent of U.S. natural gas consumption in 2000. That number has risen to 20 percent, and could surge to 50 percent by 2035.

[http://www2.cera.com/docs/Executive\\_Summary.pdf](http://www2.cera.com/docs/Executive_Summary.pdf)

[http://press.ihc.com/article\\_display.cfm?article\\_id=4211](http://press.ihc.com/article_display.cfm?article_id=4211)

### **LNG Imports Unlikely as United States Boosts Domestic Production—IEA Executive Director**

The United States is unlikely to import liquefied natural gas (LNG) thanks to increased, shale-based production at home, the International Energy Agency's Executive Director said on March 10.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=21583](http://www.downstreamtoday.com/news/article.aspx?a_id=21583)

### **Devon to Produce 1.2 Bcf/d of Natural Gas in Barnett Shale, Texas by Third Quarter, 2010**

That would be about 200 MMcf/d higher than the company's year-end output, a news source said.

DJN, 11:57 March 11, 2010

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## **Other News**

### **US-REG, A-Power, ANC Plan 1,100 MW/Year Wind Turbine Production and Assembly Plant in Nevada**

The U.S. Renewable Energy Group (US-REG), A Power Energy Generation Systems, Ltd. (A-Power) and American Nevada Group (ANC) expect to construct the 320,000-square foot facility in Nevada, according to a news release.

<http://www.us-reg.com/news/>

### **Global Partners Plans 180,000 Barrels of Ethanol Storage at Refined Petroleum Product Terminal in Albany, New York**

Global Partners plans to add 180,000 barrels of ethanol storage capacity and expand the terminal's rail access, it said in a release. The project, developed jointly with Canadian Pacific Railway Limited, would enable the site to receive 80-car ethanol trains. The company expects to complete the work in 2010. Separately at Albany, Global Partners plans to convert two distillate storage tanks to gasoline storage. The work will increase the site's storage capacity to approximately 1.2 million barrels; when the company purchased the facility in 2007, its capacity was about 737,000 barrels.

<http://www.globalp.com/news/article.cfm?articleID=235>

## Energy Prices

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U.S. Oil and Gas Prices March 11, 2010			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	81.91	80.25	43.80
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.44	4.76	3.88

Source: Reuters

## Energy Notes

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**Update: Mirant Denies It Plans to Shut Faulkner Coal-Ash Landfill in Maryland—  
Company Expects to Construct Recycling Facility**

[http://articles.baltimoresun.com/2010-03-10/news/bal-md.briefs100mar10\\_1\\_plant-in-charles-county-environmental-integrity-project-recycling-plant](http://articles.baltimoresun.com/2010-03-10/news/bal-md.briefs100mar10_1_plant-in-charles-county-environmental-integrity-project-recycling-plant)

**Update: Entergy to Replace Leaky Pipes during April 2010 Refueling Shutdown at 563  
MW Vermont Yankee Nuclear Power Plant in Vermont**

<http://www.burlingtonfreepress.com/article/20100310/NEWS02/100310016/Robot-explorer-stuck-in-pipe-at-Yankee-Nuclear>

**Propane Tank Catches Fire in Loma, Colorado by March 9—Tank Carries 7,500 Gallons  
of Propane**

<http://www.kjct8.com/Global/story.asp?S=12114174>

**Driver Suffers Serious Burns after Fuel Tanker Explosion at Gas Station in Nashville,  
Tennessee March 9**

[http://www.justicenewsflash.com/2010/03/10/fuel-tanker-explodes-nashville-tn-gas-station-driver-critically-burned\\_201003103612.html](http://www.justicenewsflash.com/2010/03/10/fuel-tanker-explodes-nashville-tn-gas-station-driver-critically-burned_201003103612.html)

**Two Fuel Trucks Explode in Quebec, Canada March 10—Man Sustains Severe Burns**

<http://www.cbc.ca/canada/montreal/story/2010/03/10/mtl-tanker-truck-explosions.html>

**Venezuelan Oil Production Dips to 2.527 Million b/d in February 2010, from about 2.669  
Million b/d in January 2010—Energy Intelligence Briefing**

<http://www.energyintel.com/#latest>

**Update: Floating Storage Drops to 22-30 Million Barrels of Oil at Sea Down from 100-130  
Million in 2009, as Contango Spread Shrinks**

<http://www.forexyard.com/en/news/ANALYSIS-Crude-oil-storage-play-at-sea-over-for-now-2010-03-11T132439Z>

**Mechanical Failure Triggers Flaring at Shilling Gas Plant in Texas March 10**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=136925>

**Logistical Issues Make Natural Gas an Unfeasible Choice for Transportation Fuel—Exxon  
Mobil CEO**

DJN, 12:07 March 11, 2010

## Utilities Report Difficulties in Converting to Smart Grid—Microsoft Survey

PRN, 10:00 March 11, 2010

## Obama Advisor Presses Natural Gas Industry to Reveal Chemicals it Uses to Drill

<http://www.reuters.com/article/idUSTRE6292MM20100310>

## Siemens AG Plans 60 HZ Gas Turbine Production Facility in Charlotte, North Carolina—Company Expects to Begin Production in Fall, 2011

Reuters, 11:45 March 11, 2010

## Shell Shuts Two Natural Gas Plants as it Repairs Sabotaged Trans Forcados Pipeline in Nigeria

<http://www.google.com/hostednews/afp/article/ALeqM5gswRp9zVyP0vbf6H9yK5v6iJ640w>

## 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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