



# ENERGY ASSURANCE DAILY

Friday Evening, March 11, 2011

## ***Electricity***

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### **Tsunami Warning Leads PG&E to Declare Unusual Event at 2,323 MW Diablo Canyon Nuclear Power Plant in California March 11**

Pacific Gas and Electric Company (PG&E) declared a precautionary NOUE Unusual Event at 4:23 AM EST after an a massive earthquake offshore Japan led the West California Emergency Management Agency to issue a tsunami warning in California, the Nuclear Regulatory Commission (NRC) said on its website. Both of the plant's units remained online, as of latest reports.

<http://www.nrc.gov/reading-rm/doc-collections/news/2011/11-042.pdf>

### **Citing Tsunami Warning, PG&E Temporarily Shuts Humboldt Bay Generating Station, Initiates Rolling Outages in California March 11**

Pacific Gas and Electric Company (PG&E) temporarily shut its Humboldt Bay Generating Station due to a tsunami warning in Humboldt County, California on March 11, the company said on its Twitter page. PG&E asked its customers to reduce energy consumption, and later initiated rotating outages. The rolling blackouts were minor and temporary, affecting only a few thousand customers at a time. The company restarted the power plant within about two hours.

<http://twitter.com/pge4me>

[http://www.times-standard.com/ci\\_17592364](http://www.times-standard.com/ci_17592364)

### **Indiana Michigan Power to Shut 1,030 MW DC Cook Nuclear Unit 1 in Michigan March 12**

Indiana Michigan Power expects to fix the unit's main generator hydrogen seal system, it said in a release. The company expects to power down the unit tonight and shut in production tomorrow. The Nuclear Regulatory Commission reported that on the morning of March 11 the unit was operating at full power.

<https://www.indianamichiganpower.com/info/news/viewRelease.aspx?releaseID=1010>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

### **AEP to Reduce 528 MW Welsh Coal-Fired Power Plant in Texas March 11-18**

American Electric Power (AEP) expects to reduce the unit to fix an ID fan, it said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151405>

### **Update: Luminant's 1,150 MW Comanche Peak Nuclear Unit 2 in Texas at Full Power by March 11**

The Nuclear Regulatory Commission reported that on the morning of March 10 the unit was operating at 77 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

### **Update: PG&E's 407 MW Helms Hydro Unit 2 in California Returns to Service by March 10**

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201103101515.html>

### **Update: NRC to Renew Operating License for Entergy's 563 MW Vermont Yankee Nuclear Power Plant in Vermont – Company Still Would Need State Authorization**

The Nuclear Regulatory Commission (NRC) expects to renew the facility's operating license for an additional 20 years, the agency said on March 10. The renewed license would expire on March 21, 2032. Despite the NRC's authorization, Entergy must still receive approval from Vermont's state legislature to continue operations.

<http://nrc.gov/reading-rm/doc-collections/news/2011/11-041.pdf>

<http://finance.yahoo.com/news/Feds-clear-Vt-nuke-plant-for-apf-3235944924.html?x=0&.v=2>

### **Development Partners Plans 600 MW Gas-Fired Power Plant in St. Joseph County, Indiana**

The company is expected to break ground in the summer of 2012 and begin operations in the summer of 2014.

<http://www.wndu.com/hometop/headlines/117765003.html>

### **CSOLAR Development Plans 250 MW Solar Power Facility in California**

CSOLAR Development plans to construct a 250 MW solar power facility and an associated 230 kV transmission line near El Centro, California, according to the website of the Bureau of Land Management (BLM) and San Diego Gas & Electric, which agreed to purchase up to 150 MW of electricity from the project. Soitec, in connection with the project, expects to build a concentrated photovoltaic (CPV) module manufacturing factory in the San Diego region of California. The CPV factory would be equipped to produce 200 MW of CPV modules per year.

[http://www.blm.gov/ca/st/en/fo/elcentro/nepa/isec\\_west.html](http://www.blm.gov/ca/st/en/fo/elcentro/nepa/isec_west.html)

[http://public.sempra.com/newsreleases/viewpr.cfm?PR\\_ID=2588&Co\\_Short\\_Nm=SDGE](http://public.sempra.com/newsreleases/viewpr.cfm?PR_ID=2588&Co_Short_Nm=SDGE)

## ***Petroleum***

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### **California Ports Halt Hazardous Material Transfers as Japanese Earthquake Leads to Warnings of Tidal Surges March 11**

The 8.9 magnitude earthquake that struck offshore Japan on March 11 prompted forecasts for tidal surges along the U.S. West Coast and led two California ports – San Francisco and Los Angeles – to halt hazardous material transfers, news and official sources reported. Ecuador's Petroecuador, meanwhile, issued a precautionary force majeure on its exports of crude oil. The company, which produces approximately 145,000 b/d of oil, expected to resume normal exports by tomorrow.

<http://www.reuters.com/assets/print?aid=USTRE72A5CX20110311>

<http://www.pacificareainfo.com/go/doc/823/1037955/UPDATE-2-COAST-GUARD-RESPONSE-TO-WEST-COAST-TSUNAMI-CONDITIONS>

### **Update: Fighting and Sanctions Force Offline all Libyan Oil Exports by March 11**

International sanctions and continued fighting "have halted all exports" from Libya, Reuters said on March 11. The nation typically produces about 1.6 million b/d. It generally exports most – about 1.3 million b/d – of that total. Output, however, has slid to about 500,000 b/d, the nation's top oil official said on March 9. The country's major oil ports were closed and fighting continued near oil installations, as of latest reports.

Reuters, 12:07 March 11, 2011

### **Unit Upset Triggers Flaring, Strong Odor at BP's 467,720 b/d Texas City, Texas Refinery by March 11**

An upset at the CAT 3 unit led to flaring and a strong odor, leading Texas City officials to issue a shelter-in-place order, according to company and official sources.

<http://galvestondailynews.com/story/217306>

### **HCU Shut at Valero's 144,000 b/d Benicia, California Refinery March 11**

Valero is repairing the hydrocracking unit (HCU) and expects to restart it within the next few days, a spokesman said on March 11.

Reuters, 10:54 March 11, 2011

## **Update: Enbridge Restarts 290,000 b/d, 30-Inch, Indiana-to-Ontario Lakehead System Line 6B March 11**

Enbridge shut the crude oil pipeline on March 7 – the line’s second shutdown in about one month – as it replaced multiple segments of pipe, according to multiple news and company sources. Operators also shut 6B in late July after the line ruptured and spilled more than 20,000 barrels of crude oil into a creek near the company’s Marshall, Michigan pump station. Enbridge had also begun work to replace a dented segment of line, the company said by March 11.

<http://af.reuters.com/article/energyOilNews/idAFN1111512620110311>

<http://www.calgaryherald.com/Enbridge+restarts+Line+pipeline/4424782/story.html>

<http://www.calgaryherald.com/technology/Enbridge+plans+pipeline+outage/4228948/story.html>

<http://www.calgaryherald.com/technology/Enbridge+plans+Line+outages/4058488/story.html>

<http://af.reuters.com/article/energyOilNews/idAFN0422751920110104>

## **West Texas Gulf to Expand Takeaway Capacity out of Permian Basin, Texas by at Least 100,000 b/d**

West Texas Gulf Pipeline Company plans to expand crude oil takeaway capacity out of the Permian Basin in Texas by a minimum of 100,000 b/d, it said on March 9. It was not clear if the company planned to construct new pipelines or expand existing ones. In either case, the line(s) would transport crude oil to refining centers in Texas, the Mid-Continent, and the U.S. Gulf Coast. The company expects to complete the work within 18 months.

[http://www.sunocologistics.com/SiteData/docs/News%20Release%20No%20%201%20\\_2011\\_%20-%20West%20Texas%20Gulf.doc/e792dd1249954c1c4dc508b22c8b6e77/News%20Release%20No%20%201%20\\_2011\\_%20-%20West%20Texas%20Gulf.doc.pdf](http://www.sunocologistics.com/SiteData/docs/News%20Release%20No%20%201%20_2011_%20-%20West%20Texas%20Gulf.doc/e792dd1249954c1c4dc508b22c8b6e77/News%20Release%20No%20%201%20_2011_%20-%20West%20Texas%20Gulf.doc.pdf)

## **Karak International, Jordan’s NRA to Produce up to 60,000 b/d of Shale Oil in Jordan**

Jordan’s Natural Resources Authority (NRA) and British Karak International Oil (KIO) plan to ramp up production to 15,000 b/d over five to seven years, and could eventually boost output to 60,000 b/d.

[http://www.rigzone.com/news/article.asp?a\\_id=104999](http://www.rigzone.com/news/article.asp?a_id=104999)

## **Natural Gas**

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### **Plant Upset Forces Enbridge Subsidiary to Shut 600 MMcf/d, 30-Inch, 101-Mile Nautilus Natural Gas Pipeline Offshore Louisiana March 11**

An upset at the Enterprise Neptune Plant led Enbridge’s Neptune Pipeline Company to shut its 600 MMcf/d Nautilus natural gas pipeline on March 11, the company said in an online posting. The line connects producers offshore Louisiana to multiple onshore interconnects, according to Enbridge’s website.

<http://apps.enbridgeus.com/ENotices/NoticeEntryPage.aspx?selnoticecode=naut201170.111145>

<http://www.enbridgeus.com/Main.aspx?id=557&tmi=154&tmt=4>

## **Other News**

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### **Activism and Regulatory Issues Stall \$1.1 Trillion in Energy Projects: U.S. Chamber of Commerce**

Local and environmental activism, permitting issues, and lawsuits have stalled 351 energy projects across the United States, and renewable energy facilities account for nearly half (45 percent) of those delays, according to a report released by the U.S. Chamber of Commerce on March 10. According to the study, the project could produce a \$1.1 trillion short-term boost to the economy and create 1.9 million jobs annually. Additional revenue and jobs would be created by the operation of the facilities.

<http://www.bloomberg.com/news/2011-03-10/renewable-energy-thwarted-as-much-as-coal-by-rules-lobby-group-says.html?cmpid=yhoo>

<http://www.uschamber.com/press/releases/2011/march/study-stalled-energy-projects-costing-american-economy-11-trillion-and-ne>

<http://www.projectnoproject.com/>

## **America's Combined Energy Resources are Largest on Earth: Congressional Research Service**

America's combined recoverable oil, natural gas, and coal endowment is the largest on Earth, and far larger than those Saudi Arabia (ranked #3), China (ranked #4), and Canada (ranked #5) combined, according to a report from the Congressional Research Service. Russia was ranked # 2.

[http://www.epw.senate.gov/public/index.cfm?FuseAction=Minority.PressReleases&ContentRecord\\_id=a567799b-802a-23ad-4d44-648c714d48c1&Region\\_id=&Issue\\_id=](http://www.epw.senate.gov/public/index.cfm?FuseAction=Minority.PressReleases&ContentRecord_id=a567799b-802a-23ad-4d44-648c714d48c1&Region_id=&Issue_id=)

## **Citing High Corn Prices, Clean Burn Fuels Halts Production at 60 MMGal/Yr. Ethanol Plant in Hoke County, North Carolina**

High corn prices led Clean Burn Fuels LLC to shut the plant about one week ago, the company's president said by March 11. He referred to the shutdown as temporary; the company expects to return its employees to work after prices even out in two or three months, he said.

<http://www.fayobserver.com/articles/2011/03/10/1077445?sac=Home>

## ***Japanese Earthquake/Tsunamis***

### **Earthquake Prompts Concerns over Potential Leak from Tokyo Electric Power's Fukushima-Daiichi Nuclear Power Plant in Japan March 11**

The 8.9 magnitude earthquake that struck Japan on March 11 knocked power out at the Tokyo Electric Power's Fukushima-Daiichi nuclear power plant, shutting down the reactor cooling system. Backup power systems also failed to kick in immediately. The highest priority of the repair crews was to get power to the coolant system to get it up and running. Company officials say that pressure rose inside the reactor, prompting concerns. The national government – for precautionary reasons – declared an emergency. Nearby residents were evacuated and workers were expected to release pressure shortly, as of latest reports. That release could cause a small amount of radiation to leak from the site. The earthquake caused at least 11 Japanese nuclear reactors to automatically shut, according to the industry ministry. A fire was extinguished at the Onagawa nuclear power plant, the International Atomic Energy Agency (IAEA) reported.

<http://www.reuters.com/article/2011/03/11/japan-quake-nuclear-pumping-idUSLDE72A29920110311>

[http://news.yahoo.com/s/yblog\\_theenvoy/20110311/ts\\_yblog\\_theenvoy/japan-issues-nuclear-site-evacuation-order-after-8-9-magnitude-earthquake](http://news.yahoo.com/s/yblog_theenvoy/20110311/ts_yblog_theenvoy/japan-issues-nuclear-site-evacuation-order-after-8-9-magnitude-earthquake)

<http://www.heraldsun.com.au/news/breaking-news/japan-earthquake-evacuations-ordered-as-fears-grow-of-radiation-leak-at-nuclear-plant/story-e6frf7jx-1226020175263>

[http://www.monstersandcritics.com/news/asiapacific/news/article\\_1625320.php/Fire-in-Japanese-reactor-extinguished-IAEA-says](http://www.monstersandcritics.com/news/asiapacific/news/article_1625320.php/Fire-in-Japanese-reactor-extinguished-IAEA-says)

### **Earthquake Forces Offline about 20 Percent of Japanese Oil Refining Capacity March 11**

An 8.9 magnitude earthquake and subsequent tsunamis forced offline an about 20 percent of Japan's refining capacity – at least three JX Nippon Oil & Energy facilities and one Cosmo Oil site – on March 11, multiple news and company sources reported. It was not clear if the facilities sustained significant damage. The earthquake also appeared to have sparked a storage tank fire at Cosmo Oil's 220,000 b/d Chiba refinery, based on multiple sources. The fire continued to burn, as of latest reports. The shutdowns led to speculation that U.S. refiners could be asked to export more oil products to Japan. U.S. refining margins increased significantly on March 11, Reuters reported.

<http://af.reuters.com/article/energyOilNews/idAFN1130299220110311>

<http://www.reuters.com/article/2011/03/11/refinery-operations-cosmo-idUSTKZ00679620110311>

<http://www.reuters.com/article/2011/03/11/japan-quake-commodities-idUSL3E7EB1UN20110311>

[http://www.pennenergy.com/index/petroleum/display/0520908071/articles/pennenergy/petroleum/refining/2011/03/oil-refineries\\_shut.html](http://www.pennenergy.com/index/petroleum/display/0520908071/articles/pennenergy/petroleum/refining/2011/03/oil-refineries_shut.html)

Reuters, 13:32 March 11, 2011

## Energy Prices

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U.S. Oil and Gas Prices			
March 11, 2011			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	101.40	104.05	81.91
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.78	3.75	4.44

Source: Reuters

## Energy Notes

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### **Storms Knock Out Power to about 12,600 FPL Customers in Florida March 10**

<http://www.sun-sentinel.com/news/broward/fl-heavy-weather-20110310,0,7166508.story>

### **Winds Cut Electricity to about 5,500 Tacoma Power Customers, 5,000 Puget Sound Energy Customers, 2,800 Seattle City Light Customers, and 1,100 Mason County PUD Customers in Washington March 10**

[http://www.seattlepi.com/local/436917\\_wind.html?source=mypi](http://www.seattlepi.com/local/436917_wind.html?source=mypi)

[http://seattletimes.nwsourc.com/html/localnews/2014461564\\_weather11m.html](http://seattletimes.nwsourc.com/html/localnews/2014461564_weather11m.html)

### **Two Independent Panels to Examine Pepco Reliability and Restoration Issues in Washington, D.C. and Maryland**

<http://www.pepco.com/welcome/news/releases/archives/2011/article.aspx?cid=1677>

### **Update: CPUC Directs PG&E to Offer Customers Ability to Opt Out of Smart Meter Program in California**

<http://www.bloomberg.com/news/2011-03-11/pg-e-should-allow-smart-meter-opt-out-state-regulator-says-1-.html?cmpid=yhoo>

### **Some 89 of 104 U.S. Nuclear power Units “Performed at the Highest Level” during 2010, NRC Says in Annual Assessments – No Reactors Received Agency’s Lowest Two Ratings**

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/ElectricPower/8634731>

### **North Slope, Alaska Could Contain about 30 Billion Barrels of Viscous and Heavy Oil – Prudhoe Bay Could Hold another 100 Billion Barrels of Lighter Oil**

<http://www.alaskadispatch.com/article/bp-ready-launch-new-heavy-oil-project-north-slope?page=full>

### **One-Inch Natural Gas Pipeline Ruptures, Forcing Evacuation from Medical Building in Indiana March 8**

<http://www.fox59.com/news/wxin-gas-leak-downtown-medical-building-evacuated-due-to-broken-gas-line-20110309,0,4063375.story>

### **Update: TransCanada Agrees to Carry Out 57 Additional Safety Measures along Proposed Canada-to-U.S. Gulf Coast Keystone XL Oil Pipeline**

<http://online.wsj.com/article/BT-CO-20110310-717078.html>

## Oil Sands Projects Causing Contaminants to Leak into Watersheds of Northern Alberta: Scientific Panel

<http://www.theglobeandmail.com/news/national/prairies/oil-sands-leaking-contaminants-into-alberta-watersheds/article1936008/>

## Europe Could Contain 6,115 Tcf of Unconventional Gas in Place: IHS CERA

[http://www.rigzone.com/news/article.asp?a\\_id=105017](http://www.rigzone.com/news/article.asp?a_id=105017)

## PLC Snag Briefly Forces Shut Reaction Furnace at Fullerton Gas Plant in Texas March 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151838>

## After March 2 Fire, Operators Restarting SRU at Teague Gas Plant in Texas March 10-11

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=151814>

## Update: National Energy Board Issues Certificate of Public Convenience and Necessity for Beaufort Sea-to-Alberta Mackenzie Valley Natural Gas Pipeline March 10

<http://www.neb-one.gc.ca/clf-nsi/rthnb/nwsrls/2011/nwsrls07-eng.html>

## 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>

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)