



# ENERGY ASSURANCE DAILY

Monday Evening, March 12, 2012

## ***Electricity***

---

### **NRC to Issue Orders, Information Requests to Nuclear Power Plants as Part of Implementing Fukushima-Related Recommendations**

The U.S. Nuclear Regulatory Commission (NRC) on Friday issued a statement authorizing its staff to issue immediately effective orders to U.S. commercial nuclear reactors. Two of the orders apply to every U.S. commercial nuclear power plant, including those under construction and the recently licensed new Vogtle reactors. The first order requires the plants to better protect safety equipment installed after the 9/11 terrorist attacks and to obtain sufficient equipment to support all reactors at a given site simultaneously. The second order requires the plants to install enhanced equipment for monitoring water levels in each plant's spent fuel pool. The third order applies only to U.S. boiling-water reactors that have "Mark I" or "Mark II" containment structures. These reactors must improve venting systems (or for the Mark II plants, install new systems) that help prevent or mitigate core damage in the event of a serious accident. Plants have until December 31, 2016 to complete modifications and requirements of all three orders. The NRC will also issue a detailed information request to every operating U.S. commercial nuclear power plant, and certain parts will apply to reactors currently under construction or recently licensed.

<http://www.nrc.gov/reading-rm/doc-collections/news/2012/12-023.pdf>

### **ERCOT Sets New Wind-Generated Electric Output Record at 7,599 MW March 7; Wind Supplied 22 Percent of Total System Load**

The Electric Reliability Council of Texas (ERCOT) announced last week that it hit a new wind record March 7, exceeding the previous record by almost 200 MW, according to a press release. Wind-generated electric output reached 7,599 MW Wednesday night, exceeding the 7,403 MW record from the previous day, by 196 MW. Prior to March 6, the record for wind output in ERCOT was 7,400 MW, recorded on October 7, 2011. At the time of Wednesday's record, wind was supplying 22 percent of the total system load, 34,318 MW. March is typically a high wind month for ERCOT, but the new records are also due in part to a new transmission analysis tool the council recently started using that allows it to move more wind energy from the west zone, an official said in the release. ERCOT began using the new tool March 6 to calculate day-ahead and real-time west to north stability limits.

[http://www.ercot.com/news/press\\_releases/show/495](http://www.ercot.com/news/press_releases/show/495)

### **Equipment Failure Cuts Power to More Than 28,000 Seattle City Light Customers in Washington State March 8**

More than 28,000 Seattle City Light customers lost power for about two hours Friday afternoon in south Seattle after a line that crews were working on crossed with another piece of equipment, essentially knocking out the utility's south substation, the company said.

<http://www.seattlepi.com/local/komo/article/28-000-without-power-in-South-Seattle-3395334.php>

### **Duke Energy's 1,129 MW Catawba Nuclear Unit 2 in South Carolina Shut by March 11**

On the morning of March 10 the unit was operating at 7 percent.

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

### **Update: TVA's 1,126 MW Sequoyah Nuclear Unit 2 in Tennessee at Full Power by March 12**

Storm damage to transmission lines in Tennessee on March 2 forced the Tennessee Valley Authority (TVA) to reduce output from Unit 2 to 70 percent. TVA raised output to 82 percent by March 5, and it restored full power to the unit by March 12.

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

## **Terra-Gen's 150 MW Alta Wind Energy Center Unit 1 and 168 MW Alta Wind Unit 5 in California Shut by March 11**

The units entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201203111515.html>

## **First Solar to Build NRG's 26 MW Avra Valley Photovoltaic Solar Project in Arizona**

NRG Energy, Inc. and First Solar, Inc. today announced an agreement for First Solar to construct NRG's 26 MW AC Avra Valley solar project near Tucson, Arizona. Electricity from the Avra Valley solar project will be sold to Tucson Electric Power under a 20-year power purchase agreement. The project will use thin-film photovoltaic technology, mounted on a single-axis tracker system that rotates the solar modules to follow the sun throughout the day. The tracker system extends the peak energy production period, providing more electricity in the afternoon, when energy demand is greatest. Construction is expected to begin this month for completion by the end of 2012.

<http://investor.firstsolar.com/releasedetail.cfm?ReleaseID=656466>

## ***Petroleum***

---

### **Sunoco Shuts Hydrotreater, Compressor for Unknown Reasons at Its 335,000 b/d Philadelphia, Pennsylvania Refinery March 7**

Sunoco Inc. reported it shut a hydrotreater and an associated compressor at the Girard Point section of its Philadelphia refinery last Wednesday, according to a filing with Philadelphia pollution regulators, which was made public on Monday. The filing did not contain additional details.

Reuters, 11:23 March 12, 2012

### **Brief Power Interruption Shuts Compressor on Coking Unit at Shell's 145,000 b/d Anacortes, Washington Refinery March 6**

Shell Oil Co. reported that a brief power interruption shut a compressor on the coking unit at its Anacortes refinery on March 6 according to a filing made March 9 with the Northwest Clean Air Agency.

<http://www.reuters.com/article/2012/03/09/refinery-operations-shell-anacortes-idUSH5E8D902220120309?feedType=RSS&feedName=rbssEnergyNews&rpc=43>

### **Valero Reports SRU Snag at Its 93,000 b/d Three Rivers, Texas Refinery March 11–12**

Valero Energy Corp. reported a plugged tail gas inlet analyzer caused excessive SO<sub>2</sub> emissions from the No. 1 sulfur recovery unit (SRU), according to a filing with the Texas Commission on Environmental Quality. Operators unplugged the tail gas inlet analyzer and removed sour water gas from the system. The event had no impact on production, a spokesman said.

Reuters, 11:15 March 12, 2012

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=165884>

### **Imperial Reports Normal Operations at Its 121,000 b/d Sarnia, Ontario Refinery after Leak Detected March 9**

Imperial Oil Ltd. said on Friday that its Sarnia refinery was operating normally after a small amount of heavy oil leaked from a pipe, a spokesman said. The leak was contained and has had no impact on production or operations, the spokesman said.

<http://www.reuters.com/article/2012/03/09/refinery-operations-imperial-sarnia-idUSL2E8E9GEY20120309?feedType=RSS&feedName=rbssEnergyNews&rpc=43>

### **Colonial to Add 125,000 b/d of New Capacity to Its Petroleum Products Line 3 from North Carolina to New Jersey**

Colonial Pipeline on Monday announced plans to add 125,000 b/d of new capacity by 2014 to its Line 3 gasoline and distillates pipeline, which runs from Greensboro, North Carolina to Linden, New Jersey, the company said in a press briefing. This latest expansion will bring total capacity on the line to 950,000 b/d by 2014, a Colonial official said. The expansion is planned in two phases: the first will add 60,000 b/d to the line by mid-2013, and the second will add 65,000 b/d to the line by 2014.

Reuters, 11:07 March 12, 2012

[http://www.marketwatch.com/story/colonial-to-expand-northeast-us-pipeline-flow-2012-03-12?reflink=MW\\_news\\_stmp](http://www.marketwatch.com/story/colonial-to-expand-northeast-us-pipeline-flow-2012-03-12?reflink=MW_news_stmp)

## **Update: Kinder Morgan, Valero on Track to Begin Construction of 110,000 b/d Parkway Petroleum Products Pipeline in Louisiana and Mississippi**

Kinder Morgan Energy Partners and Valero Energy Corp. reported the Parkway Pipeline project is on track to begin this summer, according to reports. The companies announced last September a joint venture to build and operate a 16-inch pipeline to transport gasoline and diesel from Valero's Norco, Louisiana refinery 140 miles northeast to a Kinder Morgan hub in Collins, Mississippi. From there, refined petroleum products would enter pipelines serving major Southern markets. The proposed pipeline, which is still pending approval from the Louisiana Department of Natural Resources, would have an initial capacity of 110,000 b/d, with the ability to expand to more than 200,000 b/d. The companies expect the line to come into service by September 2013.

<http://www.klfy.com/story/17126641/pipeline-work-to-start-this-summer-company-says>

[http://www.nola.com/business/index.ssf/2012/03/proposed\\_valero\\_pipeline\\_would.html](http://www.nola.com/business/index.ssf/2012/03/proposed_valero_pipeline_would.html)

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

---

## **Natural Gas**

### **Update: Broadwater Will No Longer Pursue LNG Import Terminal Project in Long Island Sound**

Broadwater Pipeline LLC has asked the Federal Energy Regulatory Commission (FERC) to vacate its certificates for a project to build a floating liquefied natural gas (LNG) terminal in the center of Long Island Sound, according to reports. A Broadwater attorney reportedly wrote in a letter to FERC that the company will not pursue any aspect of the project. In April 2007, the U.S. Secretary of Commerce rejected an appeal to overturn New York's rejection of required permits, but the company had kept its federal permissions until now.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=35711](http://www.downstreamtoday.com/news/article.aspx?a_id=35711)

### **Update: Cheniere Urges FERC to Quickly Approve Construction Plans for Proposed Sabine Pass LNG Export Terminal in Louisiana to Avoid Price Increases, Project Delays**

Cheniere Energy has urged the Federal Energy Regulatory Commission (FERC) to approve construction of its proposed Sabine Pass liquefied natural gas (LNG) export terminal in Louisiana by Thursday, March 15, to prevent any project delays, according to a letter the company sent to FERC. Without approval this week, the project could face "significant price increases" that may result in construction delays, the letter said. Cheniere owns the 4 Bcf/d Sabine Pass LNG receiving terminal located on the Sabine Pass Channel in western Cameron Parish, Louisiana and is developing a project to add liquefaction and export capabilities to the existing infrastructure.

<http://af.reuters.com/article/idAFL2E8E9FIJ20120309>

### **Ohio Regulator Says Fracking-Related Activity May Have Caused Earthquakes**

The Ohio Department of Natural Resources (ODNR) said in a report it issued Friday that Ohio should pass a new law regulating certain types of drilling because "coincidental circumstances" suggest the high-pressure injection of fluid underground in the fracking process may be related to a series of earthquakes in an area not known for seismic activity. On December 31, 2011, the ODNR placed five Youngstown, Ohio-area wells under a drilling moratorium after a series of 11 earthquakes were recorded less than a mile from the area, and it reported the seismic activity began to increase after well operator D & L Energy Inc. was given approval to increase the pressure of injections in March and May 2011. In its latest report, the ODNR has suggested the state prohibit drilling beyond a depth of 9,184 feet, require companies to review existing geologic data before drilling, and require continuous pressure-monitoring systems with automatic shutoff mechanisms controlled remotely by the state.

Reuters, 19:09 March 9, 2012

### **Mechanical Failure Shuts Turbo Expander at 130 MMcf/d Midkiff Gas Plant in Texas March 10–11**

Operators reported a coolant leak from compressor B-13 on Saturday caused the turbo expander to shut down, according to a filing with the Texas Commission on Environmental Quality. A special maintenance crew was called in to fix the problem, and repairs were planned sometime Sunday morning.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=165877>

## Engine Shuts for Unknown Reasons at Exterran's 50 MMcf/d Reinecke Gas Plant in Texas March 8

Exterran reported Engine 70427 went down for unknown reasons last Thursday, according to a filing with the Texas Commission on Environmental Quality. Mechanics restarted the engine and were investigating the cause at the time of the filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=165848>

### Other News

---

Nothing to report

### International News

---

Nothing to report

### Energy Prices

---

U.S. Oil and Gas Prices			
March 12, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	106.30	106.86	101.40
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.21	2.38	3.78

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](http://www.eia.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://www.eia.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>

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