



ENERGY ASSURANCE DAILY

Friday Evening, March 13, 2009

Electricity

Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Reduced to 85 Percent by March 13

The Nuclear Regulatory Commission reported that on the morning of March 12 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/2009/>

Update: NPPD's 764 MW Cooper Nuke Unit in Nebraska Ramped Up to 52 Percent by March 13

The company shut the unit by March 6 to fix a tube leak in the non-nuclear part of the plant. The Nuclear Regulatory Commission reported that on the morning of March 12 the unit was operating at 37 percent.

<http://www.forbes.com/feeds/afx/2009/03/12/afx6158582.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Little Rock Wind Announces Plans to Develop Utility-Scale, Community-Based Wind Energy Advisory Board for Development of 150 MW in Minnesota

National Wind announced the formation of Little Rock Wind LLC, a community-owned wind energy company to develop up to 150 MW of wind energy generation within Big Stone County, Minnesota.

http://www.nationalwind.com/press_releases/little_rock_wind_formation

Allegheny Energy's 1,107 MW Coal-fired Fort Martin Power Station in West Virginia Receives Bomb Threat March 12

State Troopers in West Virginia received a call early March 12 of a bomb threat on site at Allegheny Energy's Fort Martin plant in Monongalia, West Virginia. Troopers are investigating the threat and there were no reports on whether workers had been evacuated from the site.

<http://www.statejournal.com/story.cfm?func=viewstory&storyid=54233>

California PUC Approves PG&E's \$467 Million Smart Meter Upgrade to Cut Energy Use during Peak Demand Periods

California regulators approved a plan March 12 by PG&E to upgrade its smart utility meters with communications technology. The improved meters could support other technologies in the future that could do things such as automatically switch customer appliances on or off, in response to price signals and the need to cut energy use during peak demand periods.

http://docs.cpuc.ca.gov/PUBLISHED/NEWS_RELEASE/98459.htm

Petroleum

Update: Restart Underway at ConocoPhillips's 139,000 b/d Wilmington, California Refinery March 13

The company is restarting its Wilmington refinery following a complete power failure on March 11. Reuters, 11:03 March 13, 2009

SRU Snag at Shell's 340,000 b/d Deer Park, Texas Refinery has no Impact on Production

According to a filing with state regulators, a sulfur unit compressor snag was caused by an electrical short which caused the compressor control system to trip. Shell said March 12 that production was not impacted.

<http://www1.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121214>

Reuters, 14:45 March 12, 2009

Crude Futures Increase 11 Percent as OPEC Meeting Nears, March 12

Crude futures increased 11 percent or \$4.70, March 12 to \$47.03 per barrel on the New York Mercantile Exchange (NYMEX). Rumors that Russia would join OPEC in decreasing crude production helped increase the price of crude.

<http://www.washingtonpost.com/wp-dyn/content/article/2009/03/12/AR2009031200326.html>

<http://online.wsj.com/article/SB123686563445807233.html>

Natural Gas

Enterprise Products Partners Commences Operations at its Meeker II Natural Gas Processing Plant in Colorado's Piceance Basin March 12

Enterprise Products Partners announced March 12 it has recently commenced operations at the partnership's Meeker II natural gas processing plant in the Piceance Basin of Colorado. The Meeker II expansion doubles the natural gas processing capacity at the Meeker complex to 1.5 Bcf/d with the capability to extract up to 70,000 b/d of natural gas liquids (NGLs). Current inlet volume at Meeker is approximately 750 MMcf/d with approximately 38,000 b/d of NGLs being extracted. Natural gas volumes are projected to reach approximately 1.1 Bcf/d by the end of 2009, which is expected to produce approximately 60,000 b/d of NGLs.

<http://www.platts.com/Natural%20Gas/News/6203331.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=NewsArticle&id=1265618>

Update: DCP Midstream Announces Full Return of East Texas Operations Following Previously Announced Third Party-Caused Pipeline Rupture

DCP Midstream announced they have fully restored operations at their jointly owned natural gas processing complex and residue gas delivery system, known as the Carthage Hub, in East Texas. Production was temporarily shut in following the February 11 fire resulting from a third-party underground pipeline rupture occurring just outside DCP Midstream's property. The complex consists of five natural gas processing plants with a processing capacity of approximately 780 MMcf/d. The Carthage Hub has approximately 1.5 Bcf/d of delivery capacity.

<http://www.snl.com/irweblinkx/file.aspx?IID=4105307&FID=7489662>

Spectra Secures Commitments for Fort Nelson Expansion in British Columbia

Spectra Energy announced March 12 it has received firm customer commitments of 760 MMcf/d for gathering and processing capacity from producers operating in the Horn River basin area of British Columbia. These commitments support Spectra Energy's plan to expand gathering and processing capacity in Fort Nelson, British Columbia, to accommodate as much as 830 MMcf/d of incremental gas from the Horn River producers. The multi-phased expansion program would commence in 2009 and continue into 2012, and would include the reactivation of existing processing capacity at the Fort Nelson Gas Plant, looping and reconfiguration of area gathering and compression, and the addition of new processing capacity at Spectra Energy's existing Cabin Lake compressor station.

http://www.downstreamtoday.com/news/article.aspx?a_id=15569

http://www.spectraenergy.com/news/releases/2009/mar/20090312_02.asp

Natural Gas Futures Rose 5.2 Percent after EIA Inventory Report, March 12

According to a recent Energy Information Administration (EIA) report, natural gas storage levels in the U.S. fell more than some analysts' has expected last week as seasonal demand continued to rise, triggering a 5.2 percent increase in natural gas futures on the New York Mercantile Exchange (NYMEX). Supplies dropped 112 Bcf in the week ended March 6 to 1.681 Tcf.

<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a2rm10.xqZDs>

<http://www.forbes.com/feeds/ap/2009/03/12/ap6159835.html>

Rockies Express Natural Gas Pipeline sees Delay on East Segment due to Weather

According to a posting from the company's website, service on a 683-mile eastern portion of the Rockies Express natural gas pipeline will be delayed slightly from April 1 to the first half of April due to severe wet weather. The company said ongoing weather impacts and tight timelines to complete construction as a result of earlier regulatory delays and other challenges make the April 1 date no longer feasible.
Reuters, 17:27 March 12, 2009

Other News

Wyoming Governor asks EPA to Designate Natural Gas-Producing Area Pinedale, Wyoming as an Ozone Nonattainment Area

Wyoming Governor Freudenthal called on the Environmental Protection Agency (EPA) to designate the area of Pinedale in southwestern Wyoming as an ozone "nonattainment area." The action would likely require the state to develop a formal plan for reducing ozone emissions there, through its own Department of Environmental Quality. A nonattainment area designation will trigger responsibilities to the state to examine all emission sources inside that boundary, and apply necessary controls. The Governor said it is possible that with a plan to reduce ozone emission, periodic halts to gas production in the area might be necessary.

http://biz.yahoo.com/ap/090313/wy_air_pollution.html?v=1

European Union Imposes Import Fees on U.S. Biodiesel March 12

The European Commission March 12 imposed anti-dumping and anti-subsidy duties on imports of U.S. biodiesel with immediate effect, a move which traders said would lead to a rapid decline in trans-Atlantic flows of the product into Europe. An EU trade spokesperson said the fees were based on unfair subsidization and dumping of U.S. biodiesel, that harms an otherwise healthy, competitive EU industry.

<http://www.latimes.com/business/nationworld/wire/sns-ap-eu-eu-us-biofuel,0,2149372.story>

<http://www.platts.com/Oil/News/8413740.xml?p=Oil/News&sub=Oil>

Energy Secretary Chu Says "Research into Making Nuclear Recycling a Reality" Underway

In a recent Senate Budget Committee hearing, Secretary of Energy Stephen Chu told the Senate panel the Department is substantially increasing their budget to support the DOE Office of Science to include more money for climate science and energy research. The Obama administration's stance on nuclear power came up during the hearing and Secretary Chu made it clear he favors closing the nuclear fuel cycle, but said, "I'm worried about its proliferation potential."

http://www.tri-cityherald.com/kennewick_pasco_richland/story/506691.html

Vice President Biden and Energy Secretary Chu Announce Stimulus Funding for Energy Efficiency

Vice President Biden and Energy Secretary Chu announced \$8 billion in stimulus money for state and local programs to make home more energy efficient, with an initial installment of \$780 million to be released very soon. Specifically, California will get nearly \$412 million for weatherization and energy efficiency programs to be funneled through the California Energy Commission.

<http://news.moneycentral.msn.com/provider/providerarticle.aspx?feed=AP&date=20090312&id=9458101>

Natural Gas Intelligence, March 12, 2009: <http://intelligencepress.com/>

Energy Prices

U.S. Oil and Gas Prices			
March 13, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	46.75	44.15	109.81
NATURAL GAS Henry Hub \$/Million Btu	3.87	4.22	9.69

Source: Reuters

Energy Notes

Fallen Power Line Leaves 14,000 Entergy Customers in Mississippi without Power **March 13**

<http://www.wapt.com/news/18923158/detail.html>

Sunoco to Cut 750 Salaried Jobs Due to Recession

Bloomberg News, 11:59 March 13, 2009

Teekay and Merrill Lynch Agree to Convert Existing Vessel 'S/S Arctic Spirit' into 75-100 MMcf/d Kitimat Floating LNG Plant in British Columbia

http://www.teekay.com/index.aspx?page=news_releases&article_id=566

Baltimore County Maryland Jury Finds ExxonMobil Must Pay Residents \$150 Million in Damages from 26,000 Gallon Gasoline Spill in 2006

Reuters, 15:10 March 12, 2009

Update: U.S. Judge Orders BP to Pay Biggest U.S. Criminal Environmental Fine Ever, \$50 Million, After Pleading Guilty to Charges from 2005 Texas City, Texas Refinery Explosion

Reuters, 18:19 March 12, 2009

OPEC Predicts Global Oil Demand will Fall 1.01 Million b/d in 2009 Ahead of Meeting **March 15**

Reuters, 07:45 March 13, 2009

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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