



# ENERGY ASSURANCE DAILY

Wednesday Evening, March 13, 2013

## ***Electricity***

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### **FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Shuts on Thermal Margin/Low Pressure March 12**

Florida Power & Light (FPL) reported that Saint Lucie 1 automatically tripped from full power Tuesday night when it exceeded the thermal margin/low pressure set point. The trip was uncomplicated and all safety functions performed as designed. Unit 1 was stable in Mode 3 at the time of the filing. The cause of the trip is under investigation. The incident had no impact on Unit 2.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130313en.html>

### **FPL's 693 MW Turkey Point Nuclear Unit 3 in Florida Automatically Trips from 3 Percent Power Due to Turbine Inlet Pressure Malfunction March 12**

Florida Power & Light (FPL) reported that Turkey Point 3 experienced an automatic reactor trip from approximately 3 percent power Tuesday afternoon, according to a filing with the U.S. Nuclear Regulatory Commission. Unit 3 has been shut since February 18 due to a coolant pump leak. On Tuesday, the turbine was off-line and undergoing testing following a control valve position indication repair. A turbine inlet pressure channel perturbation momentarily actuated the Reactor Trip by Turbine Trip protection, causing the Unit 3 reactor to trip. Unit 3 was stable in Mode 3 at the time of the filing. The cause of the turbine inlet pressure channel perturbation is under investigation. This incident did not impact Unit 4.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130313en.html>

### **Wolf Creek Declares Unusual Event Due to Loss of Both Emergency Diesel Generators at Its 1,160 MW Wolf Creek Nuclear Unit 1 in Kansas March 13**

The Wolf Creek Nuclear Operating Corp. reported that at 01:49 a.m. CDT this morning, operators declared an Unusual Event at Wolf Creek Unit 1 because both its emergency diesel generators (EDG) were unavailable, according to a filing with the U.S. Nuclear Regulatory Commission. While the A-EDG was out of service due to planned maintenance, the B-EDG experienced a loss of control power. The cause is currently under investigation. Offsite power is available and providing electrical power to the Unit. Operators had reported a similar incident on March 1, when the B-EDG was declared inoperable because of high governor oil level.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130313en.html>

### **Update: NRC Issues Inspection Report and Notice of Violations at OPPD's Fort Calhoun Nuclear Power Plant in Nebraska March 11**

The U.S. Nuclear Regulatory Commission (NRC) on March 11 issued an inspection report and notice of violation regarding Fort Calhoun nuclear power plant, which is owned by the Omaha Public Power District (OPPD) and has been shut since April 2011 due to damage caused by flooding and a series of safety violations discovered during subsequent inspections. During the most recent inspections, the NRC identified that operators had failed to classify the six intake structure exterior sluice gates and their motor operators as Safety Class 3, which constitutes a "Yellow" significance determination. The NRC said that this and another procedural violation cited in the report are "concerning" because they directly support the efforts by the facility to address the resolution of the previously issued Yellow finding for flooding, and because the proper resolution of the flooding finding is "key to the long-term safety of Fort Calhoun Station. OPPD on Tuesday said it still expects Fort Calhoun to resume operations before this summer's peak electricity demand.

<http://pbadupws.nrc.gov/docs/ML1307/ML13070A399.pdf>

<http://www.13wham.com/news/national/story/More-concerns-found-at-Nebraska-nuclear-plant/8x6dWArI00-TMzEsbF5EoA.csp?rss=104>

## **Update: TransAlta Commissions 68 MW New Richmond Wind Facility in Quebec**

TransAlta Corporation today announced the completion of its New Richmond Wind Facility, located in the Gaspésie region of Québec. New Richmond was officially commissioned early this morning, when TransAlta's turbines were energized to the Hydro-Québec grid. All of the power generated is under a 20-year contract with Hydro-Québec Distribution.

<http://www.transalta.com/newsroom/news-releases/2013-03-13/transalta%E2%80%99s-wind-farm-powering-qu%C3%A9bec-homes-green-energy>

## **Petroleum**

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### **Tugboat and Oil Barge Carrying 92,000 Gallons of Crude Collide with LPG Pipeline, Setting Fire to Both Vessels near Bayou Perot in Louisiana March 12**

The U.S. Coast Guard on Wednesday reported that a 47-foot tugboat, *Shanon E. Settoon*, was pushing a 154-foot oil barge near Bayou Perot, 30 miles south of New Orleans, Tuesday night when it collided with a 19-mile liquid petroleum gas (LPG) pipeline around 6:00 p.m. local time, causing an oil spill and setting the tugboat and barge on fire. The barge was holding 92,000 gallons of crude oil, and the tugboat was holding around 1,000 gallons of diesel fuel. There have been reports of oil in the water surrounding the accident. The pipeline is owned by Chevron Corp., which immediately isolated the pipeline. Officials were waiting for the LPG that remained in the pipeline to burn itself out. It was not immediately known who owns the oil barge. The Coast Guard is working with federal, state, and local agencies to respond to the incident.

<http://www.uscgnews.com/go/doc/4007/1722067/Coast-Guard-responds-to-allision-oil-spill-south-of-New-Orleans>  
<http://www.bastropenterprise.com/article/20130313/NEWS/130319885?refresh=true>

### **Citgo Reports Distillate Leak on Reformer Unit at Its 429,500 b/d Lake Charles, Louisiana Refinery March 12**

Citgo Petroleum Corp. reported the B-reformer unit at its Lake Charles refinery was leaking distillate into the air on Tuesday, according to a filing with the U.S. National Response Center. Operators were working to secure the release at the time of the filing, and were investigating its cause.

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1040872](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1040872)

### **Tail Gas Oxidizer Malfunction at Husky's 125,600 b/d Toledo, Ohio Refinery March 10 Had No Impact on Production – Source**

BP-Husky Refining LLC reported that emissions due to a problem at the plant's tail gas thermal oxidizer on Sunday had no impact on production, according to a source familiar with operations at the plant. Operators had reported that an unknown amount of hydrogen sulfide and sulfur dioxide released from the tail gas treater thermal oxidizer Sunday due to an equipment malfunction, according to a filing with the U.S. National Response Center.

<http://www.foxbusiness.com/news/2013/03/12/refinery-status-valero-port-arthur-refinery-2/>  
[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1040598](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1040598)

### **HollyFrontier Reports Sulfur Dioxide Emission at Its 95,000 b/d Artesia, New Mexico Refinery March 12**

HollyFrontier Corp. reported sulfur dioxide emissions at its Artesia refinery on Tuesday, according to a filing with the U.S. National Response Center. Operators had not yet secured the release at the time of the filing.

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1040880](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1040880)

### **ExxonMobil Reports No Impact to Production after Equipment Malfunction Leads to Flaring at Its 149,500 b/d Torrance, California Refinery March 12**

Exxon Mobil Corp. reported flaring at its Torrance refinery Tuesday morning was due to a "temporary equipment mechanical issue" on an unspecified unit. The incident has had no impact on production, and operators expect to meet all contractual commitments.

Reuters, 15:06 March 12, 2013

## **Update: Lyondell Says CDU, Coker Overhaul to Process More Heavy Canadian Crude at Its 270,600 b/d Houston, Texas Refinery Should Be Complete by Mid-April**

LyondellBasell Industries NV said its work to convert a crude distillation unit (CDU) and a coking unit at its Houston refinery is scheduled for completion by mid-April. The previously announced overhaul will increase the refinery's capacity to run heavy Canadian crude from 60,000 b/d to 175,000 b/d. The work began in February. Reuters, 11:27 March 13, 2013

## **Valero to Export U.S. Crude Oil to Its Quebec City, Quebec Refinery**

Valero Energy Corp. plans to begin exporting crude oil from Corpus Christi to its Quebec City refinery this summer, according to CEO Bill Klesse, who said light, sweet crude produced at shale formations in the United States is "flooding" the Gulf Coast. The U.S. Commerce Department issued Valero a one-year license allowing it to export up to 90,000 b/d of crude to Canada. Klesse declined to say whether the company plans to export the full allowable amount. Royal Dutch Shell and BP Plc both received similar export licenses last year.

Reuters, 13:10 March 12, 2013

<http://www.hydrocarbonprocessing.com/Article/3168664/Latest-News/Valero-to-export-Texas-crude-oil-to-Quebec-refinery.html>

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## **Natural Gas**

### **Update: FERC Approves Spectra Energy to Proceed with Construction on 800 MMcf/d New Jersey-New York Pipeline Expansion Project**

The U.S. Federal Energy Regulatory Commission (FERC) on March 7 approved Spectra Energy Corp.'s Texas Eastern Transmission, LP and Algonquin Gas Transmission, LLC to commence construction in Jersey City, New Jersey, as part of the companies' New Jersey-New York Expansion Project. The project, a 20-mile expansion of the Texas Eastern Transmission and Algonquin Gas Transmission interstate pipeline systems, will provide an additional 800 MMcf/d of natural gas capacity to the New Jersey/New York region. Pending all necessary approvals, the company estimates the new pipeline will be in service by November 2013.

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13194444>

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13198953>

<http://www.spectraenergy.com/Operations/New-Projects/New-Jersey-New-York-Pipeline/>

### **Sierrita Gas Pipeline LLC Files for Permission to Build Natural Gas Pipeline, Border-Crossing Facilities in Arizona to Export 200 MMcf/d of Gas to Mexico**

Sierrita Gas Pipeline LLC, an indirect subsidiary of Kinder Morgan and Kinder Morgan Energy Partners LP, in early February filed with the U.S. Federal Energy Regulatory Commission (FERC) to request authorizations to build a 59-mile, 36-inch interstate natural gas pipeline in Arizona and border-crossing facilities to ship the gas south into Mexico for use at electric power generation facilities. The facilities would have a maximum daily export capacity of 200 MMcf/d and would connect with the Sasabe-Guaymas Pipeline in Mexico. The company asked for the authorizations by February 2014 to allow enough time to secure permits from the International Boundary & Water Commission. Sierrita said it plans to begin construction of upstream facilities in the first quarter of 2014.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=38871](http://www.downstreamtoday.com/news/article.aspx?a_id=38871)

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13188053>

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13199274>

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13202059>

### **Enbridge Shuts Two AGI Units to Fix Discharge Pump Valve at Its Tilden Gas Plant in Texas March 12**

Enbridge shut acid gas injector (AGI) Units 1 and 2 at its Tilden plant Tuesday to fix a discharge valve on a pump, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=180322>

## Other News

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### Energy Department Announces New Funding Opportunity for Small Modular Nuclear Reactors

The U.S. Department of Energy (DOE) on Monday announced a new funding opportunity to help U.S. industry design and certify small modular nuclear reactors (SMRs), which have compact, scalable designs and are approximately one-third the size of current nuclear power plants. Building off the cost-share agreement announced in November 2012, this follow-on solicitation is open to other companies and manufacturers and is focused on furthering SMR efficiency, operations, and design. DOE will solicit proposals for cost-shared SMR projects that have the potential to be licensed by the U.S. Nuclear Regulatory Commission and achieve commercial operation around 2025. Designs should be for an SMR whose generating capacity is 300 MW or less, and that could be made in a factory and transported to a site where they would be ready to “plug and play” upon arrival.

<http://energy.gov/articles/energy-department-announces-new-funding-opportunity-innovative-small-modular-reactors>

## International News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
March 13, 2013			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	92.14	89.89	106.58
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.71	3.48	2.17

Source: Reuters

## Links

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***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 ET every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

## ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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