



# ENERGY ASSURANCE DAILY

Friday Evening, April 05, 2013

## Major Developments

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### Large Explosion Shuts Georgia Power's 3,234 MW Bowen Coal-fired Power Plant in Georgia April 4

All four units at Georgia Power's Bowen coal-fired power plant northwest of Atlanta are offline after a large explosion at the plant Thursday. According to officials, the explosion took place in the Unit 2 generator as it was being taken offline for unspecified maintenance work. According to local media reports, the generator turbine was being purged with hydrogen gas when the something ignited the gas, causing the explosion. The blast tore a hole in the powerhouse wall behind units 1, 2, and 3. Georgia Power, a unit of Southern Company, is investigating the incident, as well as evaluating and containing any damage to the facility. The plant is expected to remain offline pending the conclusion of the investigation. Georgia Power reports the incident caused four minor injuries. The company said there were no interruptions to customers and no danger to surrounding communities.

[http://www.southerncompany.com/news/iframe\\_pressroom.aspx](http://www.southerncompany.com/news/iframe_pressroom.aspx)

<http://www.reuters.com/article/2013/04/05/utilities-southern-bowen-idUSL2N0CR27Y20130405>

<http://cartersville.patch.com/articles/explosion-at-plant-bowen-in-cartersville>

[http://wrgarome.com/common/more.php?m=49&action=blog&r=7&post\\_id=6181](http://wrgarome.com/common/more.php?m=49&action=blog&r=7&post_id=6181)

<http://www.myfoxtatlanta.com/story/21883961/incident-investigated-at-georgia-power-plant-in-bartow-county>

## Electricity

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### Three Injured after Electrical Accident at Ameren's 1,190 MW Callaway Nuclear Energy Center in Missouri April 2

Three people were injured on Tuesday at the Callaway nuclear power plant in Missouri when an electrical arc produced an intense burst of heat. A fourth person was injured while trying to help the other three. The incident happened in the evening when a piece of equipment in the switch yard just outside the protected area of the plant was being worked on. The incident did not affect operations at the power plant. The Occupational Safety and Health Administration (OSHA) and Ameren are investigating the incident. The plant is scheduled to go into a refueling and maintenance outage during the week of April 7.

[http://www.connectmidmissouri.com/news/story\\_print.aspx?id=880081&type=story#.UV7pW6LFXTp](http://www.connectmidmissouri.com/news/story_print.aspx?id=880081&type=story#.UV7pW6LFXTp)

### LADWP's 900 MW Intermountain Power Project Unit 2 Coal-fired Unit in Utah Shut by April 4

The unit was shut due to planned and unplanned causes.

<http://content.caiso.com/unitstatus/data/unitstatus201304041515.html>

### Three 100 MW Units at Edison's Walnut Creek Gas-fired Plant in California Shut by April 4

Edison Mission Group's Walnut Creek Units 1-3, each 100 MW, were shut for unplanned reasons on Thursday.

<http://content.caiso.com/unitstatus/data/unitstatus201304041515.html>

## **NV Energy to Speed Up Retirement of Nevada Coal-fired Power Plants, Build Gas-fired and Renewable Power Plants**

NV Energy Inc. proposed a plan to accelerate the retirement of its coal-fired power plants, and build replacement natural gas and renewable power plants as part of the company's "NVision" plan, which is intended to reduce the company's carbon footprint. NV Energy plans to retire Units 1, 2 and 3 (each 100 MW) at its Reid Gardner plant by 2014, moved up from 2020. The 255 MW Reid Gardner Unit 4 is planned to be shut in 2017, moved up from 2023. Under the plan, the company also intends to sell its 11.3 percent stake of the 2,250 MW Navajo coal-fired power plant in Arizona by 2019, up from 2026 under the original plan. Separate from the NVision plan, NV Energy also plans to retire two units at the 522 MW Valmy coal plant in Nevada in 2021 and 2025. NV Energy owns a 50 percent stake in Valmy, the other half owned by Idaho Power. To replace the coal power, NV Energy proposes to develop 600 MW of renewable capacity by 2018 and construct or acquire about 2,000 MW of gas-fired capacity by 2025.

<http://www.reuters.com/article/2013/04/04/utilities-nvenergy-coal-idUSL2NOCR1LO20130404?feedType=RSS&feedName=financialsSector&rpc=43>

## **PG&E Approved to Buy Power from SunPower's Proposed 100 MW Henrietta Solar Project in California**

The California Public Utilities Commission (CPUC) approved PG&E's 20-year contract to buy power from SunPower's Henrietta Solar project, located near Fresno, California, which is expected to begin producing power in October 2016.

<http://www.bloomberg.com/news/print/2013-04-04/pg-e-approved-to-buy-power-from-100-megawatt-sunpower-solar-farm.html>

## ***Petroleum***

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### **Update: Exxon Recovers 19,000 Barrels of Oil and Water from Pegasus Pipeline Spill in Arkansas**

ExxonMobil Corp said that it had recovered about 19,000 barrels of oil and water since the 96,000 b/d Pegasus Pipeline ruptured last week in Mayflower, Arkansas. Exxon had originally estimated the spill to be about 12,000 barrels of oil and water, a few thousand barrels of which was oil. While the spill caused no injuries and was not reported to affect the water supply, over 20 homes had been evacuated.

<http://finance.yahoo.com/news/exxon-crews-recover-19k-barrels-202616555.html>  
[http://www.exxonmobil.com/Corporate/safety\\_response\\_arkansas.aspx](http://www.exxonmobil.com/Corporate/safety_response_arkansas.aspx)

### **Shell Pipeline Spills an Estimated 50 Barrels of Oil in Houston Area Bayou April 4**

Coast Guard officials reported that 50 barrels of oil spilled from a pipeline operated by a subsidiary of Royal Dutch Shell PLC. Clean-up crews were onsite working to clear the crude from the Vince Bayou, a waterway that connects to the Houston Ship Channel, which then leads to the Gulf of Mexico. The spill had been contained but an exact amount of oil spilled has yet to be determined.

[http://www.rigzone.com/news/article\\_pf.asp?a\\_id=125587](http://www.rigzone.com/news/article_pf.asp?a_id=125587)

### **Oregon Fuel Companies Fined for Not Meeting Federal Oil Spill Regulations**

Tyree Oil Inc., Carson Oil Co., and Ferrell's Fuel Network have been fined and ordered to invest in facility upgrades for violating federal oil spill prevention and response rules under the Clean Water Act. The U.S. Environmental Protection Agency (EPA) inspected the companies' facilities between 2007 and 2011 and found multiple violations of the federal oil spill regulations. Tyree was fined \$30,000 in state and federal fines for failing to install sufficient containment to prevent and contain fuel spills at its North Bend and Eugene facilities and failing to develop a federal Facility Response Plan at its North Bend facility. Tyree was ordered to complete \$200,000 in secondary containment system upgrades to their transload facility in Eugene. Carson was fined \$29,843 for failing to install sufficient containment to prevent and contain fuel spills at its North Bend facility. It was also ordered to complete \$35,000 in stormwater control upgrades. Ferrel's Fuel Network was fined \$28,200 failing to install sufficient containment at its Klamath Falls facility. Federal law requires that facilities with more than 1,320 gallons of above ground fuel storage capacity to develop plans to prevent and contain spills. Facility Response Plan rules under the Clean Water Act require facilities that store and distribute oil be prepared for containing and cleaning up spills.

<http://yosemite.epa.gov/opa/admpress.nsf/0/349AEC04BCF2C7C585257B40006D096C>

## **Update: Regulators May Allow Chevron's s 245,271 b/d Richmond, California Refinery to Resume Full Operations Within Days**

The California Occupational Safety and Health Program has been inspecting Chevron's refinery this week to ensure that standards are met. State regulators say they may allow the refinery to resume full operations within days. The refinery has been operating at 60 percent capacity since a fire in August 2012 knocked out the refinery's crude distillation unit (CDU). Chevron has stated that it had completed all repairs and replacements as well as instituted a number of new safety measures at the refinery and other parts of its operations.

[http://www.insidebayarea.com/breaking-news/ci\\_22957542/chevron-refinery-could-restart-within-few-days-regulators?source=rss](http://www.insidebayarea.com/breaking-news/ci_22957542/chevron-refinery-could-restart-within-few-days-regulators?source=rss)

## **Flaring, Emissions Reported at Shell's 166,000 b/d Martinez, California Refinery April 5**

In a filing with the California Energy Management Agency, Shell reported a release of hydrogen into a flare through a pressure release valve, which caused flaring and a release of sulfur dioxide. The valve was isolated and the release was secured.

Reuters, 13:21, April 4, 2013

## **Update: Phillips 66 Completes Restart of Units at its 198,400 b/d Ponca City, Oklahoma Refinery April 4**

Phillips 66 said Thursday that it had completed restarting all units at its 198,400 b/d Ponca City, Oklahoma refinery. Several units were shut down over the weekend because of severe weather. Phillips 66 restarted some units earlier this week. Phillips did not specify which units were affected.

Reuters, 13:21, April 3, 2013

## **Power Outage Shuts Compressor, Causes Flaring at United Refining's 65,000 b/d Warren, Pennsylvania Refinery April 5**

On Friday, shortly past midnight, United Refining Co. reported flaring at its Warren, Pennsylvania refinery. The flaring happened after a power outage caused a compressor to go offline and release materials to flare, according to a filing with the U.S. National Response Center.

Reuters, 00:10, April 2013

## **Update: 90,000 b/d Phase I of Sunoco's Proposed Permian Express Crude Pipeline in Texas on Track for Completion in Second Quarter**

Sunoco Logistics Partners LP said on Thursday that the first phase of its Permian Express project is still expected to be completed by the second quarter of this year. The first phase will reverse the flow of an existing pipeline to carry crude from the Permian Basin to refineries in the Houston area and have a capacity of 90,000 b/d. The project will also include an increase in capacity to 150,000 b/d by the end of the year or early next year. A timeline for the second phase, which will add an additional 200,000 b/d to the pipeline, has not been released to the public.

<http://www.reuters.com/article/2013/04/04/sunoco-pipeline-permian-idUSL2N0CR1QV20130404?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

## **Indigo Resources Proposes Rail-to-Barge Crude Oil Terminal on the Mississippi River near Osceola, Arkansas**

Indigo Resources proposes to build a rail-to-barge crude oil terminal along the Mississippi River near Osceola, Arkansas. The terminal will consist of 16 miles of track, which will allow for 120-car unit trains. It will have the capability to unload two unit trains of crude per day and three manifest trains of bitumen per week. The proposed terminal will also have 2 million barrels of storage capacity, which includes four tanks of 250,000 barrel capacity and 10 tanks of 100,000 barrel capacity. The Indigo terminal will also provide blending services and a storage facility dedicated for inbound crudes from Canada, Colorado, Montana, North Dakota and Wyoming. The terminal is expected to break ground in the fourth quarter of 2013 and come online at the end of 2014.

[http://www.tankterminals.com/news\\_detail.php?id=2289](http://www.tankterminals.com/news_detail.php?id=2289)

### **Update: Shell Submits Project Plans for its Proposed Kitimat, British Columbia LNG Export Terminal**

Shell has submitted project plans for its Kitimat terminal to the Canadian Environmental Assessment Agency and British Columbia's Environmental Assessment Office for environmental review. The \$4 billion Kitimat terminal will be owned by LNG Canada, a joint venture between Shell, Mitsubishi Corp., Korea Gas Corp. and PetroChina Investment Ltd. LNG Canada plans to export 24 million tonnes of LNG annually, or 69,000 tonnes daily from the terminal. Construction of the project is scheduled to start in 2015, with construction of the first phase to be completed by 2019 or 2020. Last year, LNG Canada was granted a 25-year federal permit to export LNG. <http://www.downstreamtoday.com/News/ArticlePrint.aspx?aid=39134>

### **Equipment Failure Shuts AGI Compressor at Regency's 290 MMcf/d Waha Gas Plant in Texas April 4**

Regency Energy Partners reported the acid gas injector (AGI) compressor at its Waha plant shut down Thursday afternoon due to low suction pressure caused by irregular flow through the amine system, 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=181288>

### **Atlas Pipeline Reports Emissions after Steam Boiler Failure at its 195 MMcf/d Midkiff Gas Plant in Texas April 4**

Atlas Pipeline reported a steam boiler failure caused low steam stripping in the amine unit, resulting in emissions, 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=181289>

### **Unit Shutdown Causes Flaring at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas April 4**

Southern Union Gas Services reported flaring at its Keystone plant was caused when Unit 23 shut down Thursday morning, 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=181273>

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## **Other News**

Nothing to report.

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## **International News**

### **Cooling System Restored after Outage at Fukushima Dai'ichi Nuclear Power Plant in Japan April 5**

Tokyo Electric Power Company, operator of the Fukushima plant, reported that the cooling system for the No. 3 reactor had shut earlier on Friday after a power board failure. Technicians fixed the problem and restored the system within a few hours. The power failure was inadvertently caused by workers who were installing a net to keep small animals from crawling into the reactor building. A rat caused a power outage at the Fukushima nuclear plant last month when it bumped into exposed wire triggering a circuit breaker. This was the second failure of the system in the past three weeks.

Reuters, 10:50, April 5, 2013

### **Update: Libya Restarts Zueitina Oil Pipeline April 5 after Attack**

Libya has resumed flows through the Zueitina pipeline after an attack by saboteurs on Tuesday shut the pipeline. The pipeline transports crude and condensates to the Zueitina terminal in eastern Libya.

Reuters, 11:22 April 5, 2013

## Energy Prices

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U.S. Oil and Gas Prices			
April 5, 2013			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	92.62	97.24	102.73
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.94	4.03	2.06

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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