



ENERGY ASSURANCE DAILY

Friday Evening, April 20, 2012

Electricity

Exelon Shuts 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania April 19 after Recirculation Pumps Trip Due to Electrical Fault

Exelon Corp. reported Limerick Unit 1 was manually scrammed from full power Thursday morning when both 1A and 1B recirculation pump adjustable speed drives tripped due to an electrical fault, according to a filing with the U.S. Nuclear Regulatory Commission. The shutdown was normal and the plant is stable in hot shutdown mode. Operators were investigating the cause of the malfunction, Exelon said in a press release, and would restore the unit to service only after the cause is understood. Unit 2 continues to operate at full power.

<http://www.dailylocal.com/article/20120419/NEWS01/120419407/-1/RSS/electrical-malfunction-causes-limerick-nuclear-unit-to-be-shut-down>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20120420en.html>

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

PG&E, Edison Assess Seismic Hazards at Diablo Canyon and San Onofre Nuclear Power Stations in California

Pacific Gas & Electric Corp. (PG&E) and Edison International have plans to use 3-D seismic technology and research gathered at sea to better understand seismic hazards that may impact PG&E's Diablo Canyon and Edison's San Onofre nuclear stations in California. The results of the study will help regulators decide whether the nuclear stations will be safe to operate through 2042.

<http://www.bloomberg.com/news/2012-04-19/pg-e-quake-risks-at-diablo-nuclear-to-undergo-3d-exam.html?cmpid=yhoo>

DTE Energy to Build Proposed 110 MW Wind Park in Huron County, Michigan

DTE Energy announced today plans to build a 110 MW wind park in Huron County, in Oliver and Chandler townships. The wind park will include up to 70 wind turbines, and pending approval from the Michigan Public Service Commission, construction will begin next year.

<http://dteenergy.mediaroom.com/index.php?s=26817&item=127092>

Edison Mission Group, NPPD Announce Construction of New 42 MW Crofton Bluffs Wind Farm in Nebraska

Edison Mission Group, a subsidiary of Edison International, and Nebraska Public Power District (NPPD) announced today that construction has started on the Crofton Bluffs wind project, in Knox County, Nebraska. Crofton Bluffs will be powered by 22 wind turbines capable of generating up to 42 MW of electricity. All of the power produced by the project will be sold to NPPD under a 20-year power purchase agreement. Construction of Crofton Bluffs is scheduled to be completed by year-end.

<http://www.edison.com/pressroom/pr.asp?id=7923>

FERC Approves Entergy's Plan to Join MISO Power Grid; Utilities Seek Approval from State Regulators

The U.S. Federal Energy Regulatory Commission (FERC) on Thursday approved a plan that will allow Entergy Corp.'s Gulf Coast transmission system to join the Midwest power grid, the Midwest Independent Transmission System Operator (MISO) confirmed in a release. Entergy in April 2011 first announced plans to integrate its transmission system amid pressure from state regulators and from independent power producers and utilities seeking to operate outside the Entergy system. All of Entergy's utilities except Entergy Texas have applied for approval from state regulators to transfer control of transmission assets by the end of next year, but no states have yet approved the transfer. Entergy Texas is expected to apply for approval by early May.

<http://www.reuters.com/article/2012/04/19/utilities-entergy-miso-idUSL2E8FJHL620120419?feedType=RSS&feedName=rbssEnergyNews&rpc=43>

Update: Arizona Approves APS Purchase of Shares in Two Units at 2,100 MW Four Corners Coal-Fired Power Plant in New Mexico

The Arizona Corporation Commission on Wednesday approved Arizona Public Service's (APS) plan to buy part of the five-unit, 2,100 MW Four Corners coal-fired power plant in New Mexico from Southern California Edison (SCE). SCE is selling its 48 percent share in Units 4 and 5. APS already owns Units 1–3 and operates the plant. APS plans to shut Units 1–3 if it acquires SCE's stake in Units 4 and 5, because the smaller, older units will be too expensive to upgrade to meet new, stringent federal emissions requirements proposed by the U.S. Environmental Protection Agency over the past few years. Before the deal can close, APS will need approval from the U.S. Federal Energy Regulatory Commission and a coal contract extension from mining company BHP Billiton, which feeds the Four Corners plant from the adjacent Navajo Mine.

<http://www.reuters.com/article/2012/04/19/utilities-aps-fourcorners-coal-idUSL2E8FJDSH20120419?feedType=RSS&feedName=rbssFinancialServicesAndRealEstateNews&rpc=43>
http://www.daily-times.com/ci_20433713/four-corners-power-plant-purchase-moves-ahead

Petroleum

USW Members Authorize Strike at Tesoro's 96,860 b/d Wilmington, California Refinery

Union workers at Tesoro Corp.'s Wilmington refinery in Southern California on Wednesday voted to authorize a strike as their contract nears expiration at the end of April, a United Steelworkers (USW) spokesperson said in an e-mailed statement. Tesoro has offered a contract that would allow the company to change workers' benefits without negotiations. USW members at Tesoro's Golden Eagle refinery in California, Anacortes refinery in Washington, and Mandan refinery in North Dakota have also granted strike authority.

<http://www.bloomberg.com/news/2012-04-19/tesoro-workers-at-wilmington-oil-refinery-authorize-strike-1-.html>

Instrument Malfunction Causes CHD Unit Upset at ExxonMobil's 344,500 b/d Beaumont, Texas Refinery April 18

ExxonMobil Corp. reported a catalytic hydrodesulfurization (CHD) unit upset occurred Wednesday afternoon due to an instrument failure at its Beaumont refinery, according to a filing with the Texas Commission on Environmental Quality. Operators restored normal operations and reported no impact to production, the filing said. ExxonMobil had previously reported an unspecified unit problem on Wednesday resulted in flaring at the Beaumont plant.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=167433>

Natural Gas

Natural Gas Drillers Adjusting to Drought Conditions in Northeastern Pennsylvania; Told to Temporarily Suspend Withdrawing Water for Drilling

Drought conditions in Pennsylvania have forced at least one natural gas driller to scale back production after regional water authorities told companies to temporarily suspend withdrawing water needed for drilling in certain dry areas, according to reports. Talisman Energy, 1 of 10 companies operating in a drought-affected area in 5 northeastern counties, said it was scaling back drilling until the rains start but did not say by how much. A Talisman spokeswoman confirmed the company was scaling back operations but said also that seasonal changes in water availability were expected each year. Other companies operating in the area reported minimal impact from the drought, if at all, and agreed that they plan for such changes by diversifying their sources of water.

Reuters, 17:32 April 19, 2012

Oneok to Construct 200 MMcf/d Natural Gas Plant, Expand Infrastructure in the Cana-Woodford Shale in Oklahoma

Oneok Partners LP said Thursday that it plans to construct a natural gas gathering and processing plant and to expand infrastructure in the Cana-Woodford shale region of Oklahoma, according to a press release. The 200 MMcf/d natural gas processing facility is expected to start production in the first quarter of 2014. The release also announces Oneok's intention to expand and upgrade its existing natural gas gathering and compression infrastructure, to increase gathering and processing capacity in the region to 390 MMcf/d, but it doesn't provide specifics on the company's plans.

http://ir.oneokpartners.com/phoenix.zhtml?c=104562&p=irol-newsArticle_Print&ID=1685220

SRU Overloads, Leads to Flaring at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas April 18

Southern Union Gas Services reported it was flaring acid gas at its Keystone gas plant Wednesday after the sulfur recovery unit (SRU) overloaded when the plant took in extra gas from a field compression station, which overpressured the system, according to a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=167463>

AGI Unit 1 Briefly Shuts on High Discharge Pressure at Enbridge's Tilden Gas Plant in Texas April 19

Enbridge reported acid gas injector Unit 1 briefly shut down due to fifth-stage high discharge pressure Thursday afternoon, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=167459>

Other News

Nothing to report

International News

Iraq to Begin Loading Oil Exports from 2nd Floating SPM Platform Offshore Basra by April 20 – Sources

Iraq on Friday will be ready to begin loading oil from a second new floating single-point mooring (SPM) platform, three sources at the state-owned South Oil Company said. The first of four platforms began exporting last month at a rate of 300,000 b/d of oil. The sources did not say at what rate the second platform would operate. Previous reports indicated each platform would ultimately have a capacity of 850,000–900,000 b/d.

<http://www.reuters.com/article/2012/04/19/iraq-oil-idUSL6E8FJFWT20120419>

Yemen LNG Resumes Production after Last Month's Pipeline Blast – Report

Yemen LNG said it has resumed production on a gas pipeline sabotaged by militants late last month, according to AFP reports Friday. The pipeline transports gas from the province of Marib to a liquefied natural gas (LNG) facility at the Belhaf terminal on the Gulf of Aden. Yemen LNG said in a statement it cancelled six cargoes this month because of the incident, but all May cargoes will be loaded on schedule. The company aims to increase liquefied natural gas (LNG) production to redeliver as much of the cancelled cargoes as possible before year-end, the statement said.

DJN, 09:48 April 20, 2012

Update: Total Confirms Decrease in Gas Leak Rate at Elgin Platform in North Sea; Says Leak Rate Has Decreased to a Third of Initial Estimate since March

http://www.rigzone.com/news/article.asp?a_id=117131

Energy Prices

U.S. Oil and Gas Prices			
April 20, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	103.81	103.00	110.71
NATURAL GAS Henry Hub \$/Million Btu	1.85	1.87	4.19

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

Updated after 10:30 AM and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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

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