



ENERGY ASSURANCE DAILY

Monday Evening, April 23, 2012

Electricity

Nor'easter Knocks Out Power to 66,000 Utility Customers in Northeast April 23

A nor'easter brought high winds, rain, and snow to the Northeast on Monday, knocking out power to approximately 66,000 utility customers in Pennsylvania, New York, Ohio, West Virginia, and Maryland. As of Monday afternoon nearly 46,000 customers remained without power as the storm continued to affect the region. First Energy's service areas in western Pennsylvania were the hardest hit, with customer outages reported at 23,300 customers at around 1:30 PM eastern time. The company warned that additional outages were possible throughout the day as the snowfall and high winds continued. FirstEnergy is mobilizing crews and support personnel from its utilities in Ohio, eastern Pennsylvania, and New Jersey and is securing electrical contractors and tree contractors to assist with the restoration process. Overall, more than 500 additional personnel will be available to assist in hardest-hit areas.

Northeast Customer Power Outages			
April 23, 2012			
Electric Utility	State	Peak	Latest Reported
New York State Electric & Gas Corp (NYSEG)	NY	15,000	10,640
Rochester Gas & Electric (RG&E)	NY	7,555	993
Niagara Mohawk (National Grid)	NY	1,499	1,499
First Energy	PA	23,300	19,908
First Energy	MD/WV	3,000	1,119
First Energy	OH	15,697	11,677
TOTAL*		66,051	45,836

*Total outages only represent electric utilities listed in this table. Peak outages may not be concurrent.

Sources:

http://www.washingtonpost.com/national/noreaster-churns-up-east-coast-with-heavy-rain-wind-gusts-and-even-some-april-snowflakes/2012/04/23/gIQAEVhIbT_story.html

NYSEG and RG&E: <http://outagemap.nyseg.com/ny/?style=newyork>

<http://www.theithacajournal.com/article/20120423/NEWS03/120423004/Storm-causes-power-outages-tree-damage-slippery-roads-Tompkins?odyssey=tab%7Ctopnews%7Ctext%7CLocal%20News>

http://rochesterhomepage.net/fulltext?nxd_id=314082

First Energy: https://www.firstenergycorp.com/content/customer/outages_help/current_outages_maps.html

https://www.firstenergycorp.com/newsroom/news_releases/firstenergy_utilitiesstormrestorationprocesssupportsefficientres.html

SCE Extinguishes Small Electrical Fire at Its 1,070 MW San Onofre Nuclear Unit 2 in California April 20; Completes Additional Inspections of Unit 2 Steam Generators

Southern California Edison (SCE) declared an unusual event at San Onofre Unit 2 Friday afternoon due to an electrical fire within a fire detection panel in the Unit 2 turbine building, according to a filing with the U.S. Nuclear Regulatory Commission (NRC). Workers extinguished the fire within 30 minutes, after the panel was de-energized. The location of the fire had no impact on plant operation, equipment, or personnel safety, according to the filing. Both Units 2 and 3 have been shut since January for ongoing inspections of the steam generator tubes, which have been flagged for unusual degradations. SCE on Friday informed the NRC that the company has completed additional inspections of the Unit 2 steam generators. The NRC has formalized commitments that SCE must address before the plant is allowed to restart.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20120423en.html>

<http://finance.yahoo.com/news/southern-california-edison-completes-tube-014300552.html>

Update: First Wind Receives Financing to Build 34 MW Bull Hill Wind Project in Maine

First Wind Holdings LLC received financing to build its previously announced 34 MW Bull Hill project in Hancock County, which will use 19 Vestas Wind Systems A/S 1.8-MW turbines and is scheduled to begin delivering electricity to Northeastern utilities by the end of 2012.

<http://www.bloomberg.com/news/2012-04-20/first-wind-gets-76-million-in-financing-to-build-maine-project.html?cmpid=yhoo>

AES's 332 MW Alamitos Gas-Fired Unit 3 and 498 MW Gas-Fired Unit 5 in California Return to Service by April 22; AES's 495 MW Alamitos Gas-Fired Unit 6 Reduced by April 22

According to filings with state regulators, Unit 3 returned from an unplanned outage and Unit 5 returned from an unplanned curtailment of 248 MW. Unit 6 entered an unplanned curtailment of 245 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201204221515.html>

AES's 175 MW Redondo Gas-Fired Unit 6 in California Returns to Service by April 20; AES's 506 MW Redondo Gas-Fired Unit 7 Reduced by April 22

AES reported Unit 6 returned from an unplanned outage, and Unit 7 entered an unplanned curtailment of 276 MW, according to filings with state regulators.

<http://content.caiso.com/unitstatus/data/unitstatus201204221515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201204201515.html>

Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Restarts April 22, Ramps Up to 27 Percent by April 23

Florida Power & Light Co. (FPL) shut Unit 1 on March 31 when a steam bypass control valve unexpectedly opened, causing an uncontrolled cooldown. Operators were investigating the cause of the unexpected valve opening at the time of the incident.

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

Update: Exelon's 855 MW Quad Cities Nuclear Unit 2 in Illinois Restarts April 20 after High-Pressure Glitch Last Week, Ramps up to Full Power by April 22

Operators returned Quad Cities Generating Station Unit 2 to full power April 22 following a refueling outage that began late last month, according to a press release this morning. Exelon reported an automatic scram occurred on high reactor pressure at Unit 2 last Wednesday, April 18. The pressure increase occurred during post-modification testing on the main generator automatic voltage regulator, which was upgraded during the refueling outage.

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

<http://qconline.com/archives/qco/display.php?id=590077>

Update: STP Restarts 1,251 MW South Texas Nuclear Unit 2 in Texas April 21 after a Nearly 5-Month Forced Outage, Ramps Up to 32 Percent by April 23

Operators at the South Texas Project (STP) nuclear station have restarted Unit 2, according to reports from the U.S. Nuclear Regulatory Commission. Unit 2 has been shut since November 29, when the main generator locked out due to a ground fault that resulted in damage to a rotor and stator coils, according to previous reports.

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

Update: Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania Restarts April 20, Ramps up to Full Power by April 22

Limerick Unit 1 was manually scrammed from full power last Thursday, April 19, when both 1A and 1B recirculation pump adjustable speed drives tripped due to an electrical fault, according to a previously filing with the U.S. Nuclear Regulatory Commission.

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

FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Reduced to 43 Percent by April 21

On the morning of April 20 the unit was operating at 85 percent.

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

Progress Energy's 900 MW Harris Nuclear Unit 1 in North Carolina Shut by April 21

On the morning of April 20 the unit was operating at 90 percent.

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

FPL's 512 MW Point Beach Nuclear Unit 2 in Wisconsin Reduced to 16 Percent by April 21

On the morning of April 20 the unit was operating at full power.

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

Energy Northwest's 1,107 MW Columbia Generating Station Nuclear Unit in Washington Reduced to 85 Percent by April 21

On the morning of April 20 the unit was operating at full power.

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

Petroleum

Sunoco, Carlyle Group Might Operate Sunoco's 330,000 b/d Philadelphia, Pennsylvania Refinery as Joint Venture

Sunoco, Inc. announced today that it has entered into exclusive discussions with the Carlyle Group, a global alternative asset manager, regarding a potential joint venture involving Sunoco's refinery in Philadelphia. Sunoco continues to operate the plant but has said it will idle the plant this summer if it is not sold. If the transaction with Carlyle Group goes through, Sunoco would contribute its Philadelphia refinery assets in exchange for a non-operating minority interest in the joint venture. Carlyle would contribute cash to the joint venture, hold the majority interest, and oversee day-to-day operations of the joint venture and the facility. In light of these on-going discussions with Carlyle, Sunoco intends to extend its previously announced timeline and operate the Philadelphia refinery through July 2012. If a suitable transaction with Carlyle cannot be completed, the company would begin idling the main processing units at the refinery in August 2012.

<http://phx.corporate-ir.net/phoenix.zhtml?c=99437&p=irol-newsArticle&ID=1685820>

HCU Upset, PSV Glitch Result in Flaring at Valero's 310,000 b/d Port Arthur, Texas Refinery April 21

Valero Energy Corp. reported a hydrocracker unit (HCU) upset Saturday resulted in excess flaring at its Port Arthur refinery on Saturday, according to a filing with the Texas Commission on Environmental Quality. Operations personnel promptly responded to the event. The refinery also reported flaring on Friday night, according to a filing with the U.S. National Response Center, which said that sulfur dioxide and hydrogen sulfide is releasing from a flare stack due to a pressure safety valve (PSV) unexpectedly lifting. Operators blocked in the PSV, which stopped the flaring.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167533>

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1009287

Motiva Reports Corrosion Issue in Fuel Gas System at Its 285,000 b/d Port Arthur, Texas Refinery April 23

Motiva Enterprises LLC on Monday reported a corrosion issue in the fuel gas system at its Port Arthur refinery, according to a filing with the Texas Commission on Environmental Quality. The corrosion will require maintenance on some of the existing piping that could last up to two weeks. To prepare for this maintenance, operators are temporarily placing into service three compressors at the West Side Gas Plant, to help maintain fuel gas system reliability during the maintenance activity and to reduce flaring.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167531>

Flint Hills Reports Sump Line Leak at Its 288,468 b/d Corpus Christi, Texas Refinery April 19

Flint Hills Resources reported that after a planned commissioning of the spare reactor circulation pump, an odor was detected near the No. 1 Cumene Reactor, according to a filing with state regulators. Last Thursday, operators discovered a pinhole leak on the aromatic sump line, which is connected to the reactor circulation pump. The aromatic sump line leaked approximately 11 pounds of benzene to the atmosphere. Operators responded and were able to stop the emissions early Friday morning, according to the filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167523>

Power Failure Shuts Coking Unit at Lyondell's 277,200 b/d Houston, Texas Refinery April 21

LyondellBassell subsidiary Houston Refining LP restarted a coking unit after a power failure Saturday night caused it to shut for about an hour and a half, 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=167534>

Operators Extinguish Small Fire after Lightning Strikes Unit, Knocks Out Compressor at BP's 455,790 b/d Texas City, Texas Refinery April 20

BP Plc reported lightning struck a unit and knocked out a compressor at its Texas City refinery on Friday afternoon, igniting a small fire that has been extinguished, according to a company spokesman, who added that the unit was likely knocked out of production, too. Local media reported the lightning struck an ultracracker at the refinery. Reuters, 19:26 April 20, 2012

Natural Gas

ConocoPhillips to Continue Cutting Natural Gas Output Due to Low Prices

ConocoPhillips said Monday it will continue to shut-in U.S. natural gas production due to low commodity prices, an executive told analysts in an earnings conference call. The company reported continued gas shut-ins in North America of around 9,000 barrels of oil equivalent per day due to low gas prices, and it will continue to evaluate for further shut-ins and shift its focus toward more profitable oil areas, the executive said. DJN, 11:20 April 23, 2012

Enbridge Reports Multiple AGI Unit Shutdowns at Its Tilden Gas Plant in Texas April 20–21

Enbridge reported acid gas injector (AGI) Unit 2 went down Saturday due to left bank no flow, according to a filing with the Texas Commission on Environmental Quality (TCEQ). Operators responded immediately and vented gas to the flare to minimize emissions. On Friday Enbridge reported a high differential pressure alarm and elevated hydrogen sulfide content on the No. 2 contactor knocked out both AGI units, according to an earlier TCEQ filing. Operators reduced inlet pressures and restarted the units.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167538>
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167530>

Air Demand Analyzer Failure Shuts SRU, Leads to Flaring at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas April 21

Southern Union Gas Services reported an air demand analyzer failure at its Keystone gas plant on Saturday caused a sulfur recovery unit (SRU) to shut and acid gas to flare, 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=167539>

Faulty Fan Belt Shuts Compressor at Regency's 70 MMcf/d Eustace Gas Plant in Texas April 19

Regency Energy Partners reported Compressor K-201E went down on high water temperature at its Eustace gas plant last Thursday due to a faulty fan belt, according to a filing with state regulators. Operators replaced the fan belt and placed the unit back in service.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167501>

Other News

Patriot Coal to Idle Freedom Coal Mine in Kentucky, Other Central Appalachian Coal Mines Due to Poor Market; Reduces Annual Production by More Than 4 Million Tons

Patriot Coal Corporation on Friday announced it would further reduce thermal coal production in response to continued weakness in market demand by idling the Freedom underground mine within 60 days, according to a press release. The Freedom mine is located in the Bluegrass complex near Henderson, Kentucky and produced 1.2 million tons of thermal coal in 2011. Patriot in the first quarter also idled three smaller Central Appalachian thermal coal mines that together produced about 1.2 million tons in 2011, the release said. In total, including Friday's announcement and the previously announced closure of the Big Mountain complex, Patriot has reduced the company's annual thermal production by more than 4 million tons compared with 2011.

<http://phx.corporate-ir.net/phoenix.zhtml?c=216060&p=irol-newsArticle&ID=1685487>

International News

Iran Disconnects Oil Facilities from Internet as It Investigates Suspected Cyberattack

Iran is investigating a suspected cyberattack on its main oil export terminal, the oil ministry, and the national oil company, Iranian industry sources reported Monday. A virus was detected late Sunday inside the control systems at Kharg Island, Iran's largest crude oil export facility, which processes 80–90 percent of the 2.2 million barrels of crude oil Iran exports each day. The terminal remained operational, several sources said Monday. The virus is believed to have also been responsible for knocking offline the websites of the Iranian oil ministry and national oil company. An Iranian oil ministry spokesperson was quoted by Mehr as saying that data about users of the websites had been stolen, but core data about Iran's oil industry remained safe because those systems are not connected to the Internet. As a precaution, computer systems controlling a number of Iran's other oil facilities, the oil ministry, and the national oil company have been disconnected from the Internet to prevent the spread of any virus.

<http://www.reuters.com/article/2012/04/23/net-us-iran-oil-cyber-idUSBRE83M0P120120423>

http://www.washingtonpost.com/world/middle_east/report-iran-disconnects-oil-terminal-other-facilities-from-internet-to-avoid-malware-attack/2012/04/23/gIQA1WMcbT_story.html

<http://www.iranian.com/main/2012/apr/computer-attack-iran-oil-industry>

Iran Deploys More Than Half Its Supertanker Fleet to Store Oil at Anchorage in Persian Gulf as Sales Drop on Sanctions

Iran has deployed more than half its fleet of supertankers to store oil at anchorage in the Persian Gulf as buyers of its crude cut back because of sanctions, according to two Iran-based shipping sources familiar with operations at Iran's main export terminal, Kharg Island. This includes 14 of the National Iranian Tanker Company's fleet of 25 very large crude carriers, each loaded with about 2 million barrels of oil, as well as 5 of Iran's 9 Suezmax tankers, each loaded with about 1 million barrels, the sources said. The sources indicated the offshore storage was necessary to prevent shore-tank overflows at Kharg Island, which has a capacity of some 23 million barrels.

<http://uk.reuters.com/article/2012/04/23/uk-iran-tankers->

[idUKBRE83M0VA20120423?feedType=RSS&feedName=GCA-GoogleNewsUK](http://uk.reuters.com/article/2012/04/23/uk-iran-tankers-idUKBRE83M0VA20120423?feedType=RSS&feedName=GCA-GoogleNewsUK)

Iraq Halts Exports via Turkey April 21 Due to Technical Fault

Iraq on Saturday evening halted crude exports from northern oil fields because of a technical fault at a pipeline network in neighboring Turkey, the oil ministry said in a statement. Transports through the pipeline terminating at the Mediterranean port of Ceyhan, Turkey have been disrupted at least 13 times since November due to sabotage, bad weather, and technical reasons, the ministry said. Iraq normally exports 450,000–500,000 b/d from northern oil fields through Turkey.

<http://www.businessweek.com/news/2012-04-22/iraq-says-crude-exports-through-turkey-halted-on-technical-fault>

Update: Iraq Brings Second 900,000 b/d Floating SPM Platform Online Offshore Basra April 20

Iraq's second of five new floating single-point mooring (STM) platforms came online on Friday, adding 900,000 b/d to the country's export capacity, the head of the Southern Oil Company said. The first platform began exporting last month at a rate of 300,000 b/d of oil. Launching the new platform brings Iraq's export capacity from the south to 3.5 MMB/d, the Southern Oil Co. official said. (Note previous reports have indicated Iraq is planning a total of only four new floating platforms in the Gulf, including the two that are now online.)

<http://213.158.162.45/~egyptian/index.php?action=news&id=24274&title=Iraq's%20second%20Gulf%20oil%20terminal%20comes%20online>

Sudan Forces Bomb Oilfields, Launch Ground Attack in South Sudan April 22–23

Sudanese warplanes bombed a market and an oilfield in South Sudan Monday, hours after Sudanese ground forces reportedly crossed into South Sudan with tanks and artillery, reports said. A South Sudan military spokesman said in addition to the market that was bombed in Rubkona, jets also bombed Abiemnom region in Unity State and Unity oilfields. The extent of the damage at the oilfields was not immediately known, reports said. Sudanese armed forces on Sunday launched an attack with ground troops more than 6 miles inside South Sudan's border, and fighting between ground troops is still ongoing in Panakuac, Laloba, and Teshwin, the military spokesman said. The two countries have been engaging in an escalating conflict over oil revenues and a disputed border.

http://www.cbsnews.com/8301-202_162-57419075/sudan-planes-bomb-south-sudan-oil-field-2-dead/

Energy Prices

U.S. Oil and Gas Prices			
April 23, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	101.86	102.20	111.72
NATURAL GAS Henry Hub \$/Million Btu	1.82	1.87	4.33

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.

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