



ENERGY ASSURANCE DAILY

Thursday Evening, April 26, 2012

Electricity

MISO Expects Adequate Generation Capacity to Meet Midwestern Power Demand This Summer Despite Possibility of Low Water Levels

Officials with the Midwest Independent System Operator (MISO) said Wednesday there will be enough electricity generated this summer to meet consumer demand in its 11-state region, despite the possibility of low water levels following a dry winter season, which can sometimes affect power plants that need water for cooling. MISO expects summer demand to peak at 89,867 MW and available capacity to be 114,475 MW, giving the grid operator a 27.4 percent reserve margin that is well above its required reserve of 16.7 percent.

Reuters, 09:36 April 26, 2012

PG&E Shuts 1,087 MW Diablo Canyon Nuclear Unit 2 in California April 25 Due to Sea Salp Influx

Pacific Gas & Electric (PG&E) on Wednesday manually shut the Diablo Canyon nuclear Unit 2 due to an influx of sea salp—a small, jellyfish-like organism—in the intake structure, according to a filing with the U.S. Nuclear Regulatory Commission. Operators manually started the auxiliary feedwater pumps and are waiting until conditions improve at the intake structure before restarting the unit. Unit 1 was shut earlier this week for routine refueling and maintenance.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20120426en.html>

<http://www.latimes.com/news/local/la-me-0426-jellyfish-nukes-20120426,0,3192890.story>

Calpine's 751 MW Pastoria Energy Gas-Fired Unit in California Returns to Service by April 25

The unit returned from an unplanned curtailment of 281 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201204251515.html>

Update: FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Ramped Up to 85 Percent by April 26

On the morning of April 25 the unit was operating at 50 percent.

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

Update: Dominion Proceeds with Construction of 1,329 MW Natural Gas-Fired Power Plant in Warren County, Virginia

Dominion announced in an earnings statement today that construction is proceeding on the 1,329 MW, natural gas-fired power station in Warren County, Virginia, following approval from the Virginia State Corporation Commission (SCC) February 2, 2012, and is scheduled for commercial operation in late 2014. The Warren County Power Station will be fueled by natural gas from the Columbia Gas Transmission pipeline, according to the SCC final order.

<http://dom.mediaroom.com/index.php?s=26677&item=127412>

<http://dom.mediaroom.com/index.php?s=26677&item=71792>

http://www.scc.virginia.gov/newsrel/e_warren_12.pdf

NRG Energy, MidAmerican Solar, and First Solar Reach 100 MW Milestone on 290 MW Agua Caliente Solar Project in Arizona

Representatives from NRG Energy, Inc., MidAmerican Solar and First Solar, Inc., gathered with federal and local officials today at the 290 MW (AC) Agua Caliente solar project in Yuma County, Arizona, to announce the project's first 100 MW being delivered to the grid, making it North America's largest photovoltaic (PV) power plant in operation. Once completed in 2014, Agua Caliente will be one of the world's largest PV power plants. First Solar designed and is constructing the project and will operate and maintain the facility for NRG and MidAmerican Solar. Pacific Gas and Electric Company has a long-term power purchase agreement for all of the project's generation.

<http://finance.yahoo.com/news/nrg-energy-midamerican-solar-first-201300851.html>

<http://www.nrgenergy.com/>

Petroleum

Motiva Starts Up New 325,000 b/d CDU at Port Arthur, Texas Refinery; Plant Now Largest Refinery in U.S. with Capacity of 600,000 b/d

Royal Dutch Shell Plc said Thursday the expansion of its joint venture Motiva refinery in Port Arthur, Texas to 600,000 b/d has started operations, according to an executive on a conference call with reporters. The refinery's new 325,000 b/d crude distillation unit is processing oil, and the hydrocracker is expected online by the end of the quarter. Shell previously reported it expects all expansion units to be in production by the end of the second quarter of this year.

<http://af.reuters.com/article/energyOilNews/idAFL2E8FQ61320120426>

<http://www.foxbusiness.com/news/2012/04/26/shell-motiva-refinery-expansion-operational-eyes-us-gtl/>

Hess to Install New Air Pollution Controls to Resolve Clean Air Act Violations at Its 70,000 b/d Port Reading, New Jersey Refinery

Hess Corp. has agreed to pay an \$850,000 civil penalty and spend more than \$45 million on new air pollution controls to resolve Clean Air Act violations at its Port Reading refinery, the U.S. Department of Justice and U.S. Environmental Protection Agency announced in a statement on Wednesday. The government's complaint, filed on April 19, 2012, alleged that Hess made modifications to its refinery that increased emissions without first obtaining pre-construction permits and installing required pollution control equipment. The Clean Air Act requires major sources of air pollution to obtain such permits before making changes that would result in a significant emissions increase of any pollutant.

<http://www.justice.gov/opa/pr/2012/April/12-enrd-530.html>

Husky Reduces Rates at Its 146,200 b/d Lima, Ohio Refinery after Leak April 25; Repairs Should Take 2–7 Days

Husky Energy Inc. reported it was still processing about 120,000 b/d of crude oil at its Lima refinery after a leak shut a unit Wednesday afternoon, an executive said during a conference call. Repairs were expected to take 2–7 days to complete, the executive said. On Wednesday, black smoke was releasing from a stack in the aromatics heater after a malfunction in a fuel gas system, according to a spokeswoman for the Ohio Environmental Protection Agency. The incident lasted about 30 minutes, and no fire was reported.

Reuters, 11:05 April 26, 2012

PBF Reports Compressor Trip, Emissions at Its 190,000 b/d Delaware City, Delaware Refinery April 25

PBF Energy reported a compressor tripped and caused sulfur dioxide emissions at its Delaware City refinery Wednesday morning, according to a filing with state regulators.

Reuters, April 25, 2012

Unspecified Equipment Malfunction Leads to Flaring at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery April 24

ExxonMobil reported a release of nitric oxide and nitrogen dioxide from a flare at its Joliet refinery due to over-pressuring of an unspecified piece of equipment Tuesday morning, according to a filing with the U.S. National Response Center. Operators removed the equipment from service, the filing said.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1009596

ConocoPhillips Reports Flaring at Its 198,400 b/d Ponca City, Oklahoma Refinery April 24

ConocoPhillips reported flaring Tuesday night at its Ponca City refinery, according to a spokeswoman for Ponca City's Emergency Department.

<http://www.reuters.com/article/2012/04/25/refinery-operations-conoco-poncacity-idUSL2E8FPL6R20120425?feedType=RSS&feedName=industrialsSector&rpc=43>

Motiva Contains, Cleans Up Small Diesel Release at Its Port Arthur, Texas Refinery April 25

Motiva Enterprises LLC said a small release of diesel material on Wednesday was contained and cleaned at its Port Arthur refinery, though as a precautionary measure a section of Savannah Avenue was closed off yesterday afternoon, a spokeswoman said.

Reuters, 09:39 April 26, 2012

Alon Shuts CO Boiler, ESP for Repairs to Flue Gas Line at Its 67,000 b/d Big Springs, Texas Refinery April 26

Alon USA reported a carbon monoxide (CO) boiler and electrostatic precipitator (ESP) would be down for repairs to a leaking flue gas line at its Big Springs refinery in Texas on Thursday. Operators reported to Texas environmental regulators that CO emissions associated with the maintenance activity could potentially exceed normal limits, but they expected repairs to be completed in a day.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167767>

ConocoPhillips Reports Pipeline Leak at Its 247,000 b/d Sweeny, Texas Refinery April 24

ConocoPhillips reported a propylene-propane mix (PP-mix) pipeline developed a leak during the unloading of a PP-mix tank car at its Sweeny refinery Tuesday, according to a filing with the Texas Commission on Environmental Quality. Operators immediately stopped unloading operations and isolated the leak, the filing said.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167766>

Flint Hills Reports Orthoxylene Unit Leak at Its 288,468 b/d Corpus Christi, Texas Refinery April 25

Flint Hills Resources reported operations personnel early Wednesday morning discovered a leak on the 4-inch charge nozzle flange to the orthoxylene crystallizer column, according to a filing with state regulators. Operators immediately shut and removed all product in the orthoxylene crystallizer column, which was under nitrogen purge until scaffolding and crane assistance can be set up to repair the nozzle flange. Operators were investigating the cause of the leak.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=167757>

ConocoPhillips Reports Flaring at Its 120,000 b/d Rodeo, California Refinery April 25

ConocoPhillips reported flaring early Wednesday at its Rodeo refinery, according to a filing with the California Emergency Management Agency. The filing did not specify any units involved in the flaring, but a spokesman said the company was performing planned maintenance at the refinery on Tuesday.

Reuters, 17:45 April 25, 2012

Suncor Shuts Unspecified Processing Unit after Leak at Its 121,000 b/d Sarnia, Ontario Refinery April 25

Suncor Energy Inc. on Wednesday shut down an unspecified processing unit at its Sarnia refinery after a pinhole-sized hydrocarbon leak was discovered, according to a refinery spokeswoman, who said that operators expected minimal impact to production.

Reuters, 13:41 April 25, 2012

North Dakota PSC Approves Plains's Proposed 47,000 b/d Crude Oil Pipeline

North Dakota's Public Service Commission on Wednesday approved Plains All American Pipeline, LP's project to build a new 17-mile, 47,000 b/d pipeline to ship oil to a rail loading station in western Mountrail County, according to reports. Plains Pipeline hopes to finish the pipeline by the end of the year.

<http://www.businessweek.com/ap/2012-04/D9UC40PO0.htm>

Natural Gas

Chesapeake Loses Control of a Shale Well in Wyoming April 24; Triggers Ongoing Leak of Natural Gas, Drilling Mud

Chesapeake Energy lost control of a shale well in Wyoming late on Tuesday while installing a casing, triggering a leak of natural gas and drilling mud, the company said in a statement. Sixty-seven residents within a 2.5-mile radius were asked to evacuate from their homes, but the evacuation was voluntary. It was unclear how much gas or fluid has escaped the well, but a "cloud" of gas could be seen a mile away. No injuries, explosion, or fires have been reported. Chesapeake reported it was planning to bring the well under control as soon as safety conditions permit. The cause of the incident was under investigation.

<http://www.reuters.com/article/2012/04/25/chesapeake-natgas-blowout-idUSL2E8FPHQH20120425?feedType=RSS&feedName=rbssEnergyNews>

Regency Shuts AGI Compressor to Repair Faulty Valve at Its 290 MMcf/d Waha Gas Plant in Texas April 26

Regency Energy Partners shut an acid gas injector (AGI) compressor Wednesday to repair/replace a faulty valve, 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=167780>

Exterran Reports Unit Shutdown at 50 MMcf/d Reinecke Gas Plant in Texas April 25

Exterran reported Unit 70972 went down several times for unspecified reasons, according to a filing with the Texas Commission on Environmental Quality. Operators adjusted fuel before restarting the unit.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=167738>

Other News

Nothing to report

International News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
April 26, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	104.66	102.71	111.37
NATURAL GAS Henry Hub \$/Million Btu	1.99	1.87	4.37

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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