



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Friday Evening, April 30, 2010

Major Developments

Update: Responders Prepare for Oil Spill Landfall Along the Gulf Coast April 30 Mississippi River Traffic Remains Open as Oil Spill Edges Closer to Southwest Pass

The USCG, BP, and other agencies are pre-booming sensitive areas of the Gulf Coast, as the oil spill created by a leaking BP oil well continues to spread. As of Friday morning, over 180,000 feet of boom have been deployed and another 300,000 feet are forward staged. Five staging areas are in place: Biloxi, MS, Pensacola, FL, Venice, LA, Pascagoula, MS, and Theodore, AL. A sixth staging area is being set up in Port Sulphur, LA. To date, the oil spill response team has recovered 20,313 barrels (853,146 gallons) of an oil-water mix. The Oil & Gas Journal reports that officials expect high wind and waves of 6-7 feet to prevent crews from skimming oil off the surface or holding a controlled burn for at least 2 days. According to the Port of New Orleans, the Southwest Pass, the main route between the Mississippi River to the Gulf of Mexico, is open, and the shipping routes coming in from the south and west of Southwest Pass remain clear of oil. The Port is monitoring the oil spill, which could possibly reach the Southwest Pass by Saturday morning. However, the area of oil that is closest to Southwest Pass is classified as "light, bright and on the surface." If this type of sheen should arrive at the Southwest Pass, the Coast Guard has indicated that it will allow vessels to transit without the need to have their hulls cleaned. The Minerals Management Service remains in contact with all oil and gas operators in the sheen area. Currently, no production has been curtailed as a result of the response effort. The Department of Interior has announced that they will be sending SWAT teams to the Gulf to inspect all platforms and rigs. Florida Governor Charlie Crist declared a state of emergency on April 30, citing "the threat that oil leaking from the Deepwater Horizon drilling platform and well poses to the state of Florida." Louisiana declared a state of emergency on April 29.

USCG: <http://www.deepwaterhorizonresponse.com/go/doc/2931/534651/>

BP: <http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7061565>

NOAA: http://response.restoration.noaa.gov/topic_subtopic_entry.php?RECORD_KEY%28entry_subtopic_topic%29=entry_id,subtopic_id,topic_id&entry_id%28entry_subtopic_topic%29=809&subtopic_id%28entry_subtopic_topi%29=2&topic_id%28entry_subtopic_topic%29=1

NO Port: <http://www.portno.com/pdfs/headline2.pdf>

DOD: <http://www.defense.gov/news/newsarticle.aspx?id=58968>

LA: <http://www.emergency.louisiana.gov/>

White House: <http://www.whitehouse.gov/blog/2010/04/30/response-oil-spill-so-far>

Florida Governor: <http://www.flgov.com/pdfs/10-99-horizon.pdf>

http://www.oj.com/index/article-display/0672554390/articles/oil-gas-journal/general-interest-2/hse/2010/04/oil-spill_in_gulf/QP129867/cmpid=EnlDailyApril302010.html

Obama Orders Freeze on Offshore Drilling Leases Pending Accident Review

President Obama ordered the freeze, the New York Times reported, pending the conclusion of a review into the Deepwater Horizon oil-rig accident in the Gulf of Mexico. Obama, however, said he continued "to believe that domestic oil production is an important part of our overall strategy for energy security."

<http://www.nytimes.com/2010/05/01/us/01gulf.html?hp>

Federal and State Officials Critical of BP's Response to Gulf of Mexico Oil Spill

Multiple state and federal officials criticized BP for its response to the oil spill in the Gulf of Mexico, the New York Times reported. Louisiana Governor Bobby Jindal said he was concerned "that BP's current resources are not adequate to meet the three challenges we face." The company, according to Secretary of the Interior Ken Salazar said BP must "work harder, faster and smarter to get the job done." Janet Napolitano, Secretary of the Department of Homeland Security said: "We continue to urge BP to leverage additional assets to help lead the response in this effort, because it is clear after several unsuccessful attempts to secure the source of the leak, it is time for BP to supplement their current mobilization."

<http://www.nytimes.com/2010/05/01/us/01gulf.html?hp>

Update: AEP to Restart 558 MW Welsh Coal-Fired Unit 2 in Texas April 29-May 6

The unit shut due to a “loss of feedwater control” on April 29, American Electric Power (AEP) said in a previous filing with state regulators. The company expected to restart the unit from April 29 into May 6, according to a separate filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139079>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139048>

Update: Dominion's 917 MW North Anna Nuclear Unit 2 in Virginia Ramped Up to 70 Percent by April 30

The unit shut on April 27 after a generator lockout led to a turbine trip, the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The unit was at 74 percent power and returning from a refueling outage at the time of the incident. The NRC reported that on the morning of April 29 the unit was operating at 10 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100428en.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

550.2 MW

Dominion's 511 MW Kewaunee Nuclear Unit in Wisconsin Reduced to 65 Percent by April 30

The Nuclear Regulatory Commission reported that on the morning of April 29 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: Entergy's 836 MW Arkansas Nuclear Unit 1 in Arkansas Ramped Up to 92 Percent by April 30

The unit shut automatically on April 25 due to shutdowns of “2 of 4 Reactor Protection System (RPS) Channels,” Entergy said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of April 29 the unit was operating at 63 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100426en.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: FirstEnergy's 821 MW Beaver Valley Nuclear Unit 1 in Pennsylvania at Full Power by April 30

The Nuclear Regulatory Commission reported that on the morning of April 29 the unit was operating at 82 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Explosion and Fire at Sunflower Electric's 362 MW Holcomb Coal-Fired Power Plant in Kansas April 28

The explosion and subsequent fire occurred at around 12 AM in the facility's coal-handing segment, Sunflower Electric Power Corporation said in a release. The plant was offline for annual maintenance at the time of the incident.

<http://www.sunflower.net/news/newsdetail.aspx?itemID=20>

Update: Mississippi Power Drops Plans for 582 MW Coal-Fired Power Plant in Kemper County, Mississippi, Citing Regulatory Conditions

Mississippi Power abandoned its plans to construct the facility after the Mississippi Public Service Commission approved the company's application, but attached conditions to the plan that the company said made the project unfeasible. The PSC's conditions included a limit on what the company could charge rate payers. The company had expected to break ground on the project in 2010, and begin operations in 2014, according to its website.

<http://www.businessweek.com/ap/financialnews/D9FDD1080.htm>

<http://www.mississippipower.com/kemper/Facts.asp>

USDA Loans to Support More than 2,405 Miles of New Electric Transmission Lines in 21 U.S. States

The United States Department of Agriculture's (USDA) will provide guaranteed loans to rural communities in 21 states, helping to build more than 2,405 miles of new distribution lines and upgrade more than 1,822 miles of existing lines. The funds will improve electric service delivery to more than 33,000 customers.

http://www.usda.gov/wps/portal/usda/!ut/p/c5/IZDLDoJADEU_qR1eg0sFMhAGYcFD2Bg0SAgILgiGvxjQjaa0m6a9PT25kIBS_f1NTI2Ax92cEJCumMcmUGaylhleIgZelbgMtu2mRUhZO-LNZE4C-FHGveEjejjzx5_1B7h6A73CnIo-FdFcGktfxy5C8NYQc2AvKvq8jpD0v9HQ52MGgoZNTndgEZHn6jSE9DoCOi6AUFXNTd4pYdl4Bp9tO3NUrtJVpk56pd5NT5fMqi4QA!!/dl3/d3/L0IJSklna21DU1EhIS9JRGpBQUN5QUJFUKNKRXFnlzRGR2dzbzBWdnphOUiBOW9JQSEhLzdfUDhNVIZMVDmXRzdMQzBJQ0VMOU9PVDIwTzUveXUxM1AzNjQwMDAzOC9zYS5yZXRYaWV2ZWVbnRlbnQ!/?PC_7_P8MVVLT31G7LC0ICEL9OOT20O5005915_contentid=2010%2f04%2f0217.xml&PC_7_P8MVVLT31G7LC0ICEL9OOT20O5005915_parentnav=LATEST_RELEASES&PC_7_P8MVVLT31G7LC0ICEL9OOT20O5005915_navid=NEWS_RELEASE#7_P8MVVLT31G7LC0ICEL9OOT20O5

Update: FPL to Move Forward with Coal-to-Gas Conversions at Riviera and Cape Canaveral Power Plant in Florida

Florida Power & Light Company, an FPL Group subsidiary, plans to move forward with modernizations at two coal-fired power plants in Florida, the company said on April 30. FPL suspended the plans in January after an unfavorable rate-case decision. The company plans to shut four coal-fired units – the 280 MW Riviera Unit 3, the 280 MW Riviera Unit 4, the 402 MW Cape Canaveral Unit 1, and the 402 MW Cape Canaveral Unit 2 – and replace them with two, 1,250 MW gas-fired power facilities, according to its website. It expects to begin the Riviera project in late 2011 and complete the work in 2014. It plans to start the Cape Canaveral project in 2010 and complete the work in 2013.

<http://www.fpl.com/news/2010/043010.shtml>
<http://www.fpl.com/environment/plant/riviera.shtml>
http://www.fpl.com/environment/plant/cape_canaveral.shtml

National Wind Opens 300 MW Buffalo Wind Farm in Texas by April 29

http://www.nationalwind.com/press_releases/2010_buffalowindenergylaunch

Petroleum

Fire Injures Worker at Valero's 195,000 b/d Memphis, Tennessee Refinery April 29

Most of the refinery's units were offline for planned work at the time of the incident, a Valero spokesman said. The fire, however, slightly damaged the Selective Hydrogenation Unit, according to the spokesman. On-site responders quickly extinguished the blaze.

<http://www.reuters.com/article/idUSN2926445920100429?type=marketsNews>
<http://www.wreg.com/news/sns-ap-tn--refineryfire.0.656557.story>

Reuters, 10:41 April 30, 2010

Bloomberg News, 11:21 April 30, 2010

Update: Tesoro's 120,000 b/d Anacortes, Washington Refinery to Remain Offline through at Least the Second Quarter of 2010

Tesoro expects to keep the facility offline through at least the second quarter of 2010, it said on April 30. Tesoro shut the plant, citing investigations and repairs, after an early-April explosion killed seven workers.

<http://www.marketwatch.com/story/tesoro-says-anacortes-refinery-shut-through-q2-2010-04-30>

Update: FCC Unit Restarted at Sunoco's 335,000 b/d Philadelphia, Pennsylvania Refinery April 29

Sunoco restarted a gasoline-making fluid catalytic cracker (FCC) at its 335,000 b/d Philadelphia, Pennsylvania refinery on April 29, according to a source familiar with the facility's operations. The unit shut for unplanned reasons on April 27.

Bloomberg News 12:49 April 30, 2010

Power Outage Causes Flaring at Citgo's 167,000 b/d Lemont, Illinois Refinery April 29

The incident occurred yesterday evening, according to a filing with state regulators. It was not clear if the event had any impact to production.

Bloomberg News, 11:08 April 30, 2010

Compressor Breakdown Triggers Flaring at ConocoPhillips 120,000 b/d Santa Maria, California Refinery by April 29

ConocoPhillips "lost a critical compressor" at its Santa Maria, California Refinery, according to a filing with state regulators. The company restarted the compressor by April 29, the filing said.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/416f12a73dbf65d588257715001bf159?OpenDocument>

Bloomberg News, 01:32 April 30, 2010

Update: Vitol Group Opens Seaport Canaveral Oil-Product Terminal on Florida Coast by April 29

The terminal will be able to store just under 3 million barrels of products. It will include 24 tanks for gasoline, diesel, biodiesel, jet fuel, and fuel oil. It will also have transportation infrastructure for barge loading, seagoing vessels and trucks. It will serve cruise ships via a pipeline link-up.

<http://www.vitol.com/news.php?id=59&o=0>

Militant Group Claims Attack on Shell-Operated Oil Pipeline in Nigeria

The Joint Revolutionary Council of the Niger Delta said it had attacked a Shell-operated pipeline at Buguma, Nigeria. Shell, however, said there were no signs of any production shutdown.

<http://www.google.com/hostednews/ap/article/ALeqM5gHJyop68FyJkZy4mhXIgmHhzZRvwD9FDF8KG1>

Repsol Plans Multiple Field Start-ups in Brazil and Venezuela through 2015

Repsol YPF SA plans to start production several Brazilian and Venezuelan oilfields from 2013 through 2015:

- It expects to begin output at the Guara South field in 2013, and at the Guara North field in 2016. It expects Guara to yield 250,000 boe/d in 2016.
- It plans to begin production at the Carioca discovery in 2015. It expects Carioca to produce at a 110,000 boe/d plateau.
- It aims to begin production at the Venezuelan Caraboba heavy oilfield in 2014. It expects to reach a 400,000 boe/d plateau in 2018.

http://www.rigzone.com/news/article.asp?a_id=91948

Natural Gas

Nothing to report.

Other News

Update: Global Renewable LLC Drops Plans for 120 MMGal/Yr. Corn-Based Ethanol Plant in Wisconsin

The company cited economic and industry conditions.

<http://dailyreporter.com/blog/2010/04/29/275-million-ethanol-plant-proposal-dies/>

Vice President Biden Announces Recovery Act Funding for 37 Energy Research Projects April 29

Vice President Joe Biden and Secretary of Energy Steven Chu announced that the U.S. Department of Energy is awarding \$106 million in funding for 37 projects that could for example: produce advanced biofuels more efficiently from renewable electricity instead of sunlight; design completely new types of batteries to make electric vehicles more affordable; and remove the carbon pollution from coal-fired power plants in a more cost-effective way.

<http://www.energy.gov/news/8911.htm>

Energy Prices

U.S. Oil and Gas Prices April 30, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	85.49	83.73	50.26
NATURAL GAS Henry Hub \$/Million Btu	4.24	3.95	3.43

Source: Reuters

Energy Notes

Winds Knock out Power to More than 16,000 Ameren Customers in Illinois April 29

<http://www.wgil.com/localnews.php?xnewsaction=fullnews&newsarch=042010&newsid=390>
<https://www2.ameren.com/outage/outagemap.aspx?state=IL>

Winds Cut Electricity to More than 10,000 National Grid Customers in Massachusetts April 29

<http://www1.nationalgridus.com/masselectric/stormcenter/>
http://www.boston.com/news/local/breaking_news/2010/04/statewide_wind.html

More than One-Third of U.S. Nuclear-Industry Workers to be Eligible for Retirement in Four Years – New Nuclear Fleet Would Require 12,000 to 21,000 Additional Workers

http://www.seattlepi.com/business/1310ap_us_nuclear_careers.html

Pipe Bomb Found in Parked Car Outside Gas Station in Georgia April 28

<http://www.myfoxatlanta.com/dpp/news/Pipe-Bomb-Detonated,-School-Evacuated-042810>

Wyoming DEQ Investigating Release to Waste Water Evaporation Pond at Sinclair Refinery in Sinclair, Wyoming

<http://deq.state.wy.us/out/downloads/SinclairReleaseAPR2010.pdf>

BG Group Boosts O&G Production 6 Percent to Total 681,000 Boe/d in First Quarter 2010

<http://www.energyintel.com/#latest>

Power Disruption Shuts AGI System at Waha Gas Plant in Texas April 29 – Operators Restart System within Hours

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=139101>

Acid Gas Compressor Shuts Down at Waha Gas Plant in Texas April 29

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=139085>

Groupe Noble Plans O&G Terminal in Ceyhan Turkey – Would be World's Second-Largest Such Facility

<http://www.balkans.com/open-news.php?uniquenumber=55898>

Construction Incident Triggers Leak along Columbia Gas-Owned Natural Gas Pipeline in New Jersey April 29 – Company to Replace Approximately 100 Feet of Line

<http://www.newarkadvocate.com/article/20100430/UPDATES01/4300304>

Machinery Incident Damages Mid-America Pipeline in Kansas April 23 – Line Spills an Estimated 75,000 Gallons of Liquid Natural Gas

<http://www.nebraska.tv/Global/story.asp?S=12397347>

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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

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