



ENERGY ASSURANCE DAILY

Friday Evening, May 03, 2013

Electricity

Update: Xcel Restores Power to Majority of Customers May 3 After Spring Snowstorm Knocks Out Power to 54,000 in Minnesota and Wisconsin

As of early Friday morning, Xcel Energy had restored power to more than 50,000 customers after a rare spring snowstorm brought heavy, wet snow to its service territory in southeastern Minnesota, western and northern Wisconsin May 2. As of 2:00 PM Central Time, Friday, approximately 2,500 customers remained without service, according to the utility's website. In Iowa, more than 3,500 MidAmerican Energy customers were without power Friday afternoon, and Alliant Energy still had more than 1,000 customers without power.

<http://news.wpr.org/post/may-snowstorm-leaves-30k-without-power>

<http://www.alliantenergy.com/CustomerService/StormandOutageCenter/index.htm>

<http://www.xcelenergy.com/portal/site/xe-en/menuitem.471846b0c2475abf262a71986b108a0c/?vgnextoid=02b6719a0b3cd210VgnVCM100000b40b98aaRCRD&vgnnextchannel=e97c6113f220f210VgnVCM100000b40b98aaRCRD&appInstanceName=x>

AEP Seeks Approval for Power Cloverdale Extra High Voltage Transmission Improvements Project in Virginia May 2

Appalachian Power and an American Electric Power (AEP) affiliate, AEP Appalachian Transmission Company, Inc., filed a joint request with the Virginia State Corporation Commission for approval to build the Cloverdale Extra High Voltage (EHV) Transmission Improvements Project in Botetourt County, Virginia. Appalachian Power announced the project in January. Today's filing begins a state-level review. The project involves construction of facilities in and near the existing Cloverdale Substation. The work ultimately will involve construction of a new EHV substation yard, expansions and upgrades to the existing EHV yards at the Cloverdale Substation and installation of new transmission lines to tie the facilities together. The project is intended to address voltage and thermal problems, transmission congestion and equipment obsolescence that have been identified in the region by PJM, an independent transmission system operator.

<https://www.appalachianpower.com/info/news/ViewRelease.aspx?releaseID=1385>

Duke Suspends Plans to Construct and Operate New Units at Its Harris Nuclear Power Plant in North Carolina

Duke Energy notified the Nuclear Regulatory Commission (NRC) May 2 of plans to suspend its application for two proposed new nuclear units on its Harris site near New Hill in Wake County, North Carolina. The applications were originally submitted by Progress Energy in 2008, and fell under Duke's domain when the two utilities merged in July 2012. The company said it would instead focus on modernizing the two natural gas-combined cycle and one clean coal plants it brought online in 2012 (Dan River and H.F. Lee natural gas combined-cycle plants and Cliffside unit 6) The Sutton combined-cycle plant will come on line later this year. Duke Energy continues to pursue its application with the NRC for new nuclear generation for the W.S. Lee site in Gaffney, South Carolina and the Levy site in Levy County, Florida.

<http://www.duke-energy.com/news/releases/2013050203.asp>

Calpine Plans to Complete 429 MW Russell City Energy Center, Upgrade Los Esteros Critical Energy Facility to 309 MW in California in Third Quarter 2013

Calpine Corp. reported May 2 that its 429 MW Russell City Energy Center near Hayward, California will be completed and enter commercial operations in the third quarter of 2013. It also said it plans to upgrade its Los Esteros Critical Energy Facility near San Jose from a 188 MW simple-cycle generation power plant to a 309 MW combined-cycle generation plant. This is also slated to be completed in the third quarter of 2013.

<http://phx.corporate-ir.net/phoenix.zhtml?c=103361&p=irol-newsArticle&ID=1814125&highlight=>

Alliant Plans to Upgrade Equipment at Its 407 MW Edgewater Coal-Fired Unit 5 in Wisconsin

Alliant Energy Corp. said Thursday that its subsidiary, Wisconsin Power and Light, has received approval from Wisconsin regulators to upgrade emission control equipment at Unit 5 of its Edgewater coal-fired power plant in Wisconsin. Construction of the equipment is slated to begin in 2014, with the equipment in service in 2016. Alliant had previously announced plans to shut its 70 MW Unit 3 at Edgewater by the end of 2015 and either repower its 330 MW Unit 4 to burn natural gas or retire it by the end of 2018.

<http://www.alliantenergy.com/AboutAlliantEnergy/Newsroom/NewsReleases/032829>

Exelon's 1,111 MW La Salle Nuclear Unit 2 in Illinois at Full Power by May 3

The Nuclear Regulatory Commission reported Thursday that LaSalle 2 has returned to full power after an outage that began April 25. On the morning of May 2 the unit was operating at 70 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Entergy's 1,075 MW Waterford Nuke Unit 3 in Louisiana Ramped Up to 50 Percent by May 3

The Nuclear Regulatory Commission reported that on the morning of May 2 the unit was operating at 18 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

AES's 498 MW Alamosa Gas-fired Unit 5 in California Reduced by May 2

The unit entered a planned curtailment of 248 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201305021515.html>

RRI Energy's 320 MW Etiwanda Gas-fired Unit 3 in California Shut by May 2

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201305021515.html>

Termoelectrica De Mexicali's 625 MW Termoelectrica De Mexicali Gas-fired Unit 1 in Mexico Returns to Service by May 2

The unit returned from a planned curtailment of 224 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201305021515.html>

Petroleum

Multiple Barges Break Loose and Spill 300 Gallons of Oil into Mississippi River May 3; Portions of the River Closed Temporarily

The U.S. Coast Guard has reported that 14 barges, two dry docks, and two workflats broke loose and spilled about 300 gallons of crude oil into the Mississippi River Friday morning after a vessel struck a floating area near Alton, Mississippi. The Coast Guard closed portions of the river temporarily while crews worked to clean the area. But, after determining the waterway safe for navigation, the river was reopened. A spokesperson for the Coast Guards said approximately 10 percent of the shoreline assessment was complete and no environmental impacts were detected.

<http://www.kmov.com/news/editors-pick/Multiple-barges-break-and-spill-300-gallons-of-crude-oil-into-Mississippi-River-205945351.html>

Reuters, 12:15 May 3, 2013

Update: ExxonMobil Cleans Up Small Leak at Shut 90,000 b/d Pegasus Crude Oil Pipeline in Missouri May 2; Receives Approval to Repair Pipeline

ExxonMobil Corp. confirmed Thursday that a one barrel oil spill occurred April 30 at its 90,000 b/d Pegasus crude oil pipeline in Missouri. A spokesperson for the company said the cleanup was almost complete and it was investigating the cause of the spill. At the same time, the company has received approval to complete repairs and test the pipeline from the Pipeline Hazardous Materials Safety Administration. Once repairs are complete, ExxonMobil will be able to refill the site with new soil. The pipeline has been out of service since March 29, when it ruptured and spilled 5,000 barrels of oil in Mayflower, Arkansas.

<http://www.connectmidmissouri.com/news/story.aspx?id=893150>

http://www.oilvoice.com/n/Approval_received_to_repair_Pegasus_pipeline_in_Doniphan_MO/0b17eba0fe3a.aspx

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Crude Oil Tank Explodes at Denbury Resources' Load-Out Facility in Louisiana May 2; Still on Fire May 3

The Louisiana Governor's Office of Homeland Security & Emergency Preparedness said that a tank containing crude oil at a load-out facility in Livingston Parish, Louisiana caught fire Thursday night. The tank, owned by Denbury Resources, Inc., continued to burn Friday, and a second tank nearby was bulging from the heat. The fire has been contained in a 200-square-foot area. A spokesperson for Denbury said there were no injuries and the cause of the fire has yet to be determined. The company also said that the incident has not affected its oil production in the area. The combined capacity of the two tanks, which store oil from the Lockhart Crossing oil field, is 2,000 barrels. The cause of the fire is unknown.

<http://abcnews.go.com/US/wireStory/oil-tank-explodes-louisiana-homes-evacuated-19098396>

<http://www.trust.org/item/20130503144719-9n536>

Reuters, 12:20 May 3, 2013

Update: Sabco Operating Co. Removes All Oil From Leaking Tank Near Matagorda Island, Texas May 2

The Sabco Operating Company said Friday it has safely removed all liquids from a large tank that contained more than 300,000 gallons crude oil, 5 miles off the coast of Matagorda Island, Texas. Sabco, which operates the platform where the tank is, filed a report with the U.S. National Response Center April 30 indicating that there was a small leak of water coming from the tank and it had shut the platform and all wells. The U.S. Coast Guard, and local, state, and federal agencies, monitored Sabco's actions to ensure any environmental impact was minimized.

<http://www.maritime-executive.com/article/UPDATE-Leaky-Matagorda-Island-Oil-Rig-Tank-Emptied-2013-05-03/>

'Tremendous' Amount of Crude Oil Production in the Gulf of Mexico to be Shut-in by Month-Long Planned Maintenance at BP's Pascagoula, Mississippi Gas Processing Plant

Plains Exploration and Production said that planned month-long maintenance of BP Plc's Pascagoula gas processing plant in Mississippi will cause a "tremendous" amount of Gulf of Mexico oil production to be shut in, including Thunder Horse, Ni Kika, Horn Mountain, and Marlin platforms. BP announced the maintenance in 2012. While, Plains Exploration did not estimate a total amount that would be lost, it estimated that BP-operated Thunder Horse has a capacity of 250,000 b/d and net average daily sales volume for Horn Mountain and Marlin were 44,000 b/d in the first quarter of 2013. BP would not comment on the closure.

Reuters, 10:22 May 3, 2013

Suncor Says Planned Maintenance at Its 140,000 b/d Edmonton, Alberta Refinery Has Caused Some Retail Stations to Run Out of Gasoline

Suncor Energy Inc. said Thursday that some of its retail gas stations in Western Canada have run out of gasoline because planned maintenance at its Edmonton, Alberta refinery has cut the facility's ability to produce fuel. The company had expected to continue to produce gasoline during the maintenance, but during inspections, Suncor found corrosion in a line leading to flaring and forcing the gasoline unit to close for repairs. The company is in the process of buying replacement supplies from third parties and expects the refinery to return to normal operations by the middle of this month.

Reuters, 13:41 May 2, 2013

Citgo Shuts Hydrotreater at its 167,000 Lemont, Illinois Refinery Due to Fire May 1

Citgo Petroleum Corp. said it shut a diesel hydrotreater at its Lemont, Illinois refinery on Wednesday after a small fire broke out at a valve. No injuries were reported, and the company is expecting repairs to take one or two days.

Reuters, 10:56 May 2, 2013

BP Reports Unit Upset, Release at Its 405,000 b/d Whiting, Indiana Refinery May 2

According to a filing with the U.S. National Response Center, there was a glitch at BP Plc's Whiting refinery in Indiana, which caused a release. BP is in the process of stabilizing the system.

Reuters, 4:34 May 3, 2013

Flaring Reported at Marathon's 226,000 b/d Catlettsburg, Kentucky Refinery May 2

Marathon Petroleum filed a report with the U.S. National Response Center Thursday stating that there was a release of benzene from a flare after a relief valve lifted at its Catlettsburg, Kentucky refinery. The company said it had blocked the relief valve.

Reuters, 4:09 May 3, 2013

CVR Shuts Catalytic Cracker at Its 70,000 b/d Wynnewood, Oklahoma Refinery Due to Malfunction May 2

CVR Energy Inc. said Thursday that it shut a catalytic cracker at its Wynnewood, Oklahoma, refinery on Sunday due to a malfunction. Repairs are estimated to take up to 16 days, the company said during an earning call with investors.

<http://www.reuters.com/article/2013/05/02/energy-markets-products-gasoline-idUSL2N0DJ1GZ20130502>

Update: Magellan Confirms Plans to Expand Capacity of Its Longhorn Crude Oil Pipeline in Texas to 225,000 b/d

During an earnings call with investors May 2, Magellan confirmed that it plans to increase the capacity of its 75,000 b/d Longhorn Pipeline in Texas. The pipeline began operations over the weekend of April 13–14 from its terminal in east Houston to a third-party pipeline, and it expected to begin deliveries into its Houston distribution system shortly thereafter. Magellan said during its call that it expects the delivery rate to average approximately 90,000 b/d from mid-April through the second quarter, ramping to its full 225,000 b/d capacity in the third quarter of 2013.

<http://www.magellanlp.com/magellannews.aspx?id=2147483809>

Enterprise to Expand Crude Oil Storage and Distribution System at Its ECHO Crude Oil Terminal in Houston

Enterprise Products Partners said Thursday that it will expand the crude oil storage and distribution system at its Enterprise Crude Houston Oil (ECHO) terminal on the Houston Ship Channel, serving multiple Southeast Texas refineries, including Motiva Enterprise's Port Arthur refinery, ExxonMobil Corp.'s Baytown refinery, and Valero Energy Corp.'s Port Arthur and Texas City refineries. The expansion would add an additional 4 million barrels of crude oil storage capacity, approximately 55 miles of 24 inch and 36 inch pipeline to connect the terminal with the refineries, and a storage capacity of more than 6 million barrels. The project, being done in phases, is slated to be completed in the fourth quarter of 2014.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&ID=1814571&highlight=>

Update: Gibson Energy Plans Additional 500,000-Barrel Oil Storage Tank at Its Hardisty Terminal in Alberta

Gibson Energy Inc. said Friday that it is planning to construct an additional storage tank at its Hardisty, Alberta terminal with a capacity of 500,000 barrels. This tank is in addition to the two 400,000-barrel tanks the company announced in September 2012 and another 400,000-barrel tank announced in April. The first 400,000-barrel tank is expected to be operational by mid-2014, the second and third tanks should be operational by late 2014, and this new tank should be in service in early 2015.

<http://gibsons.mediaroom.com/index.php?s=22594&item=135088>

Canadian Natural's 40,000 b/d Kirby South Oil Sands Project Expected to Start Ahead of Schedule

Canadian Natural Resources Ltd.'s said Thursday that its Kirby South oil sands project will start up sooner than planned. During a quarterly earnings call with analysts, the company said it had originally planned for operations at the 40,000 b/d project to begin in November 2013. But now, it is estimating that operations will begin in sometime during the third quarter of 2013.

<http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/canadian-naturals-kirby-project-to-start-ahead-of-schedule/article11689602/>

Natural Gas

Nothing to report.

Other News

Nothing to report.

International News

Update: South Sudan Expected to Resume Oil Exports Shortly

The Sudanese Government said Friday that Sudan is scheduled to resume export shipments of 150,000 to 200,000 b/d of crude from South Sudan within the next few days. It should go back to pre-shutdown output of 350,000 b/d in a few weeks. Production at the Thar Jath Field in Unity State has been halted for more than one year due to a dispute over transit fees.

<http://online.wsj.com/article/SB1000142412788732426690457846043>

Energy Prices

U.S. Oil and Gas Prices			
May 3, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	95.49	92.14	98.08
NATURAL GAS Henry Hub \$/Million Btu	4.28	4.19	2.29

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 & 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>

Please direct comments and questions to: ead@oe.netl.doe.gov