



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

ENERGY ASSURANCE DAILY

Tuesday Evening, May 05, 2009

Electricity

Storm Cuts Power to 50,000 Customers in Ontario, Canada May 4

A thunderstorm knocked out power to 40,000 Hydro One customers and 10,000 Hydro Ottawa customers on May 4, a news source said. Only scattered outages remained, as of latest available reports.

<http://www.ottawacitizen.com/Technology/Severe+Ontario+storm+topples+trees+roofs+buildings/1534872/story.html>

http://www.hydroonenetworks.com/en/about/our_services/power_outage_maps/NewReports/outage_summary.html

Luminant's 793 MW Monticello Coal-fired Unit 3 in Texas Shuts Briefly May 4

The unit tripped after an unexpected temperature swing in the boiler, Luminant said in a filing with state regulators. Operators restarted the unit in less than one hour.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=123797>

AES's 226 MW Huntington Beach Gas-fired Unit 1 in California Shut by May 4

According to the California Independent System Operator, the unit experienced an unplanned outage by May 4.

<http://www.caiso.com/unitstatus/data/unitstatus200905041515.html>

Update: Wolf Creek Nuclear Operating Corporation's 1,166 MW Wolf Creek Nuke Unit in Kansas Ramped Up to Full Power by May 5

The unit shut on April 28 due to a valve error, according to a news source. Operators restarted it by May 1. Bloomberg News, 07:24 May 5, 2009

Update: TVA's 1,125 MW Sequoyah Nuke Unit 1 in Tennessee Ramped Up to 99 Percent by May 5

The unit went offline on April 28 after the loss of condensate flow, a news source said. The Nuclear Regulatory Commission reported that on the morning of May 4 the unit was operating at 74 percent.

Reuters, 08:39 May 5, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut May 4

Reuters, 9:14 May 5, 2009

Petroleum

FCC Boiler Trip at Exxon Mobil's 567,000 b/d Baytown, Texas Refinery May 4

A CO boiler associated with a fluid catalytic cracking unit (FCC) tripped offline at Exxon Mobil's 567,000 b/d Baytown, Texas refinery on May 4, the company said in a filing with state regulators. The incident did not impact supplies, Exxon Mobil said. Operators restarted and stabilized the unit.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=123795>

Reuters, 09:06 May 5, 2009

Update: Valero Restarts Crude Unit at 182,200 b/d Delaware City, Delaware Refinery by May 5

Valero restarted a crude unit at its 182,200 b/d Delaware City, Delaware refinery by May 5, a spokesman said, several weeks after operators shut the entire facility for coker work and additional maintenance. Operators had previously resumed production at a gasoline-generating fluid catalytic cracking unit (FCC), the spokesman said. He said the company would restart other production units “in sequence.”
Reuters, 10:47 May 5, 2009

Update: After April 23 Power Failure, Shell Restarts Units at 145,000 b/d Anacortes, Washington Refinery by May 4

Shell restarted a coker, a catalytic reformer and a hydrotreater over the weekend at its 145,000 b/d Anacortes, Washington refinery, a spokesman said. A power outage forced the refinery to shut on April 23, and Shell declared a force majeure due to the disruption.
Bloomberg News, 19:39 May 4, 2009

Update: Sinclair Expects to Resume Normal Operations by Week’s End at Fire-Damaged 66,000 b/d Sinclair, Wyoming Refinery

Sinclair completed repairs at its 66,000 b/d Sinclair, Wyoming refinery, and a company official said the facility should resume “normal operations by the end of the week.” The refinery had been at reduced rates since a March 29 fire.
Bloomberg News, 15:18 May 4, 2009

BP Begins Production at Dorado and King South O&G Projects in Gulf of Mexico—Boosts Production at Associated Marlin Platform by 20,000 b/d

BP began production at its Dorado and King South oil-and-gas (O&G) projects in the Gulf of Mexico by May 5, the company said in a release. The additions boosted production at the existing BP Marlin Tension Leg Platform from 40,000 b/d of oil to about 60,000 b/d of oil and 70 MMcf/d of natural gas.

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7052897>

<http://www.bp.com/genericarticle.do?categoryId=9004519&contentId=7008069>

Abu Dhabi’s IPIC Planned 1.5 million b/d, 224-mile Adcop Oil Pipeline in United Arab Emirates May be Delayed Again

The International Petroleum Investment Company’s (IPIC) plan to build a 224-mile oil pipeline from the Habshan oilfield in Abu Dhabi, United Arab Emirates (UAE) to Fujairah on the UAE’s eastern coast may have been delayed again. According to the director of the project, the line will open in early 2011, however, an official with IPIC told the press that the line will open in 2010 as announced earlier this year. (The 2010 opening would be about one year later than originally planned.) The line would deliver up to 1.5 million b/d of oil, or around 60 percent of the UAE’s oil export capacity. It would also avoid movement through the Strait of Hormuz, a 33-mile wide route through which nearly half the world’s oil supplies pass. Iran has threatened to block the Strait, should it be attacked over its nuclear program.

<http://online.wsj.com/article/BT-CO-20090505-706964.html>

Reuters, 12:27 May 5, 2009

Update: Shell Ramps up Nigerian Oil Output after Restart of Fire-Damaged Trans-Niger Pipeline

Shell restarted the fire-damaged Trans-Niger oil pipeline and resumed crude production at several associated flowstations last week, but said today that a force majeure on Bonny Light oil would remain in effect through the end of May. Shell declared the force majeure on Bonny Light exports in mid-April after a fire forced shut the Trans-Niger pipeline and 130,000 b/d of Shell’s related crude production. The incident shut in an additional 50,000 b/d of oil output among other operators. Shell said today that it was “ramping up” production, but declined to mention specific shut-in figures. Separately, Shell extended a force majeure on Nigerian Forcados oil loadings through May, citing continued repairs to the sabotaged trans-Escravos crude pipeline. The Forcados force majeure has been in place since March 2009.

<http://www.google.com/hostednews/afp/article/ALeqM5iUagdggenJ-5avKblQSg7wQn5Kiew>

<http://www.upstreamonline.com/live/article177548.ece>

Reuters, 10:15 May 5, 2009

Bloomberg News, 10:05 May 5, 2009

Natural Gas

MarkWest Energy, ArcLight Capital Plan 625,000 Dth/d, 50-mile Natural Gas Pipeline from Oklahoma

MarkWest Energy Partners and ArcLight Capital Partners plan to develop a 625,000 Dth/d, 50-mile natural gas pipeline from the Woodford Shale in Oklahoma, the companies said in a release. The line would include interconnects with two interstate lines: the Midcontinent Express Pipeline and the Gulf Crossing Pipeline.
<http://www.markwest.com/files/MWE/Arkoma%20JV.pdf>

Other News

Update: Big River Resources Eyes Early-June Start Date for 100 MMGal/Yr Ethanol Plant in Galva, Illinois

Big River Resources plans to run its first grind on May 14, 2009, and begin ethanol production in June 2009, a company official said.
<http://www.galesburg.com/business/x845562638/Galva-ethanol-plant-plans-test-run>

Energy Independence not Possible until 2030 or Later, Say Most O&G Executives

Large-scale alternative energy production is not possible in the short term, and the United States cannot achieve energy independence until 2030 or later, according to most oil-and-gas (O&G) executives surveyed by KPMG LLP's Global Energy Institute. Among 382 executives, 63 percent said energy independence would be possible only after 2030, and 16 percent said it could happen by 2030.
<http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=104&STORY=/www/story/05-04-2009/0005018334&EDATE=>

Energy Prices

| U.S. Oil and Gas Prices May 5, 2009 | | | |
|--|-------|----------|----------|
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 54.15 | 48.58 | 119.66 |
| NATURAL GAS Henry Hub \$/Million Btu | 3.47 | 3.19 | 10.37 |

Source: Reuters

Energy Notes

Update: Governor, Sunflower Electric Power Corp. Reach Deal to Enable Construction of Coal-fired Power Plant in Kansas—Agreement Would Require State Legislature to Pass Proposals in Support of Renewable Energy
<http://www.forbes.com/feeds/ap/2009/05/05/ap6378113.html>

Montana Public Service Commission Okays NorthWestern Energy's Plans for Mill Creek Generating Station in Montana
http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=ind_focus.story&STORY=/www/story/05-04-2009/0005018992&EDATE=

Update: Hawaii Legislators Remove Ban on Coal-and-Oil-Fired Power Plants from Proposed Renewable Energy Bill

<http://www.forbes.com/feeds/ap/2009/05/05/ap6379112.html>

Valero Discovers Water in Some Fuel Deliveries from 182,200 b/d Delaware City, Delaware Refinery May 4—Company Says it has Resolved Issue and Received Fewer than 10 Reports of Customer Problems

Bloomberg News, 09:47 May 5, 2009

AEP Receives State Environmental Permit for Test CO2 Capture Project at Coal-fired Mountaineer Power Plant in West Virginia

DJN, 11:54 May 5, 2009

Gulf of Mexico Oil Production to Rise from 1.3 Million b/d in 2008 to 1.6 Million b/d over Next Decade, Natural Gas Production to Continue Decline from Present 7 Bcf/d—U.S. MMS

Reuters, 18:52 May 4, 2009

Italian Navy Foils Pirate Assault on LNG Tanker in Gulf of Aden by May 5

DJN, 10:21 May 5, 2009

Iraqi Basra Oil Exports Drop from 1.32 Million b/d on May 4 to 1.08 Million b/d on May 5 for Unknown Reasons—Shipper

Reuters, 07:57 May 5, 2009

Russia to Begin Crude Deliveries from Kozmino Oil Terminal in December 2009—Regional Governor's Press Service

<http://www.platts.com/Oil/News/8534720.xml?p=Oil/News&sub=Oil>

Update: FERC Grants Pre-Filing Status to TransCanada Alaska for Proposed Denali Natural Gas Pipeline Project from Alaska to Lower U.S. States

<http://www.forbes.com/feeds/ap/2009/05/04/ap6376459.html>

Update: Construction Set to Begin along Planned 1,679-mile Rockies Express Natural Gas Pipeline in Fayette County, Ohio

<http://www.recordherald.com/main.asp?SectionID=1&SubSectionID=1&ArticleID=133274&TM=25327.2>

U.S. Biodiesel Capacity Utilization at 15 Percent—Market Watchers

<http://www.platts.com/Oil/News/8534465.xml?p=Oil/News&sub=Oil>

EPA Proposes New Alternative Fuel Standard—Rule Could Ban Some Corn-based Ethanol Production Methods, due to Pollution Concerns

DJN, 11:07 May 5, 2009

Obama Administration Plans Interagency Group to Boost Ethanol, Biofuel Consumption, Combining Efforts of EPA, DOE and Department of Agriculture—President Also Plans Nearly \$2 Billion in Investments to Increase Efficiency in Renewable Energy Production

Bloomberg News, 10:33 May 5, 2009

Bloomberg News, 12:09 May 5, 2009

Sapphire Energy Plans to Produce 1 MMGal/Yr. of Algae-Derived Biofuel by 2011, 100 MMGal/Yr. by 2018, and 1 Billion Gal/Yr. by 2025

<http://www.wired.com/autopia/2009/05/one-billion-gallons-of-algae-biofuel-could-flowing-by-2025/>

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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