



# ENERGY ASSURANCE DAILY

Thursday Evening, May 05, 2011

## ***Electricity***

---

### **Update: Scattered Customers Still Lack Power in U.S. South Following Last Week's Deadly Storms and Tornadoes**

Sources gave various numbers May 4-5 as to how many customers still lack power in Alabama and across the U.S. South. Alabama Power reported May 5 that the company expects to restore power to 99.9 percent of customers who can take electric service by the end of the day, but that over 10,000 customers have "so much damage to their homes that they are unable to receive power from the company. In hundreds of cases, the homes that Alabama Power served no longer exist." The Tennessee Valley Authority (TVA) estimated May 5 that about 6,000 homes and business are still without electricity across its service area in Tennessee and Alabama due to damage to the transmission grid, while about 19,000 are without power due to damage to 15 local distribution systems. At the storm's peak, almost 850,000 TVA customers were without power. TVA also reported that all but four of the company's 128 customer connections affected by last week's storms have been restored.

[http://www.alabamapower.com/news/dyn\\_pressroom.asp?s=43&item=2319](http://www.alabamapower.com/news/dyn_pressroom.asp?s=43&item=2319)

<http://twitter.com/#!/alabamapower/status/65788071517487104>

<http://www.tva.com/news/releases/aprjun11/storm.htm>

### **Update: Dominion's 871 MW Millstone Nuclear Unit 2 in Connecticut at Full Power by May 5**

The Nuclear Regulatory Commission reported that on the morning of May 4 the unit was operating at 66 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

### **Update: Southern's 870 MW Hatch Nuclear Unit 2 in Georgia Shut by May 5**

The Nuclear Regulatory Commission reported that on the morning of May 4 the unit was operating at 52 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

### **AES's 498 MW Alamosa Gas-Fired Unit 5 in California Shut by May 4**

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

<http://www.caiso.com/unitstatus/data/unitstatus201105041515.html>

### **Update: NV Energy Dedicates 484 MW Combined-Cycle Expansion at Existing 144 MW Harry Allen Generating Station in Nevada May 4**

Construction on the expansion began in 2007.

<http://nvenergy.mediaroom.com/index.php?s=8838&item=34634>

## Hydro-Québec Building Large-Scale Hydroelectric Projects in Eastern Canada

Hydro-Québec's strategic plan for 2009-2013 called for the addition of 4,500 MW of hydropower capacity. To that end, a number of large hydroelectric projects are currently either under construction or planned by Hydro-Québec in eastern Canada. The projects include the following:

- The four-unit, 1,550 MW Romaine Complex, currently under construction in eastern Quebec. The construction began May 13, 2009 in Havre-Saint-Pierre, Quebec. The project is due to be complete in 2020, though the first power will come on stream in 2014.
- The 918 MW Eastmain-1-A/Sarcelle/Rupert Project, currently under construction in northern Quebec. The project is due to be complete by 2013.
- According to a new report by PwC, the company plans a 2,250 MW project in central Labrador to provide electricity for Newfoundland and Nova Scotia. To access the complete report, visit the following site:

<http://www.pwc.com/gx/en/engineering-construction/publications/global-construction-2020.jhtml>  
[http://www.hydroquebec.com/publications/en/strategic\\_plan/pdf/plan-strategique-2009-2013.pdf](http://www.hydroquebec.com/publications/en/strategic_plan/pdf/plan-strategique-2009-2013.pdf)  
<http://www.hydroquebec.com/projects/index.html>  
<http://www.newswire.ca/en/releases/archive/May2009/13/c3507.html>  
<http://www.montrealgazette.com/news/todays-paper/Minister+asks+Hydro+reopen+talks/4644293/story.html>  
<http://www.hydroforthefuture.com/developpement/9/developing-quebec-s-hydropower-potential>  
<http://www.digitaljournal.com/pr/298823>

## Petroleum

---

### Oil Prices Drop Over 8 Percent as Demand Falls and Dollar Gains May 5

The price for West Texas Intermediate (WTI) June delivery dropped below \$100 per barrel on the New York Mercantile Exchange (NYMEX) for the first time since March, settling at \$99.80 per barrel according to news reports. It was the largest one-day drop in prices since April 2009. The weakening U.S. economy and a stronger dollar were considered to be responsible for the tumble. According to some analysts, the absence of a terrorist attack in the days following the killing of Osama bin Laden in Pakistan may also have had an effect on the fall of prices.

[http://www.usatoday.com/money/industries/energy/2011-05-05-oil-prices-below-100\\_n.htm](http://www.usatoday.com/money/industries/energy/2011-05-05-oil-prices-below-100_n.htm)  
[http://money.cnn.com/2011/05/05/markets/oil\\_prices/?section=money\\_latest](http://money.cnn.com/2011/05/05/markets/oil_prices/?section=money_latest)

### Update: After April 25 Power Outages, BP Returns 475,000 b/d Texas City, Texas Refinery to Pre-Shutdown Rates by May 4

One production line which was down for planned maintenance at the time of the power outage remained shut.

<http://www.reuters.com/article/2011/05/04/refinery-operations-bp-texascity-idUSWEN270720110504>

### Update: Total Places New 50,000 b/d Coker into Service at 240,000 b/d Port Arthur, Texas Refinery – Unit Built as Part of Deep Conversion Project

The unit will increase the refinery's capacity to process heavy and sour crude oil. The coker was built as part of the Deep Conversion project, which also includes building a vacuum distillation unit, a distillate hydrotreater, and a coker naphtha hydrotreater, among other units.

<http://www.bloomberg.com/news/2011-05-05/total-says-port-arthur-texas-coker-project-starts-safely-1-.html>

### Kinder Morgan Plans to Build 300,000 b/d Crude/Condensate Pipeline in Texas

Kinder Morgan will invest \$220 million to build the pipeline, which will include 61 miles of new pipeline and 109 miles of existing natural gas pipeline which will be converted. The pipeline will initially transport 50,000 b/d of condensate for Petrohawk from the Eagle Ford production area to the Houston Ship Channel. It is due to be in service in the second quarter of 2012.

<http://phx.corporate-ir.net/phoenix.zhtml?c=119776&p=irol-newsArticle&ID=1559898&highlight=>

## Natural Gas

---

### El Paso Successfully Closes Open Season for Proposed 185,000 Dth/d Willcox Lateral Expansion in Cochise County, Arizona April 29

The proposed project would deliver natural gas from the Willcox compressor station to two delivery points at the U.S.-Mexico border. The company plans to bring the project into service by April 1, 2013.

[http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle\\_print&ID=1560271&highlight=](http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle_print&ID=1560271&highlight=)

## Other News

---

### **Prairie Skies Biomass Co-op Plans 300 Tons/Day Biofuels Project in Madelia, Minnesota**

The grower cooperative plans to produce gasoline, diesel fuel, and ammonia. The facility is planned to produce 300 tons per day, or 75,000 tons per year. A company representative estimated it would take 45,000 acres of perennial grass, corn stover, straw, alfalfa, short-rotation willows, and miscanthus to supply the plant.

<http://www.agrinews.com/third/generation/biofuels/plant/planned/in/south/central/minnesota/story-3556.html>

[http://www.biofuels-news.com/industry\\_news.php?item\\_id=3532](http://www.biofuels-news.com/industry_news.php?item_id=3532)

### **Update: Coal-Carrying Barge Moved Safely Upriver May 3 after Breaking Loose from Tow along Ohio River in Pennsylvania April 27**

The barge was filled with between 1,500 and 1,700 tons of coal. It was one of four barges that broke loose from the Carl L. Johnson towboat last Wednesday. Until its recovery on Tuesday, the coal-carrying barge remained lodged against a back channel dam.

<http://www.post-gazette.com/pg/11124/1143916-455-0.stm>

## Energy Prices

---

U.S. Oil and Gas Prices			
May 5, 2011			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	99.89	112.29	80.07
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.49	4.35	3.96

Source: Reuters

## Energy Notes

---

### **CVR Energy Sees No Impact on 115,700 b/d Coffeyville, Kansas Refinery after Shutting 8-Inch, 2,500 b/d, Oklahoma-to-Kansas Crude Pipeline Due to 15-30 Barrel Leak**

<http://uk.reuters.com/article/2011/05/04/refinery-operations-cvr-coffeyville-idUKL3E7G43PK20110504>

### **Homer Electric Association Breaks Ground May 5 on Nikiski Combined Cycle Conversion Project in Alaska – Project Will Increase Capacity of Natural Gas-Fired Nikiski Generation Plant from 40 MW to 77 MW by Fall 2012**

<http://www.homerelectric.com/LinkClick.aspx?fileticket=YcIDzT6H%2bXc%3d&tabid=163>

### **Rocky Mountain Pipeline System, Western Convenience Stores, and Offon Petroleum to Pay \$2.5 Million Penalty for Mixing and Distributing Over 1 Million Gallons of Gasoline that Failed to Meet Clean Air Act Requirements**

<http://www.epa.gov/compliance/resources/cases/civil/caa/rockymountainpipeline.html>

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=26524](http://www.downstreamtoday.com/news/article.aspx?a_id=26524)

### **New Environmental Laws in Colorado to Require Xcel to Reduce Emissions by Replacing Coal-Fired Generation with Electricity Produced by Natural Gas and Installing Emissions Control Equipment**

<http://www.bizjournals.com/denver/news/2011/05/04/hickenlooper-signs-emission-curbs-into.html>

**Massachusetts Governor Proposes Regulations Requiring Large, Wood-Burning Electricity Generators to Meet Greenhouse Gas Standards for Clean Energy Financing, while Paving the Way for Smaller, More Efficient Biomass Plants to Earn Renewable Energy Credits**

<http://www.mass.gov/?pageID=eoeepressrelease&L=1&L0=Home&sid=Eoeea&b=pressrelease&f=110503-pr-biomass-energy-regs&csid=Eoeea>

**A-Turbine Shuts, Restarts Due to High Pressure at Goldsmith Gas Plant in Texas May 4**

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=154151>

## **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](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**

---

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)