



ENERGY ASSURANCE DAILY

Tuesday Evening, May 15, 2012

Electricity

NRC to Increase Oversight of Dominion's 1,863 MW North Anna Nuclear Power Plant in Virginia Due to Violations Linked to Emergency Diesel Generators

The U.S. Nuclear Regulatory Commission (NRC) on Monday announced its staff will increase oversight of Dominion's North Anna nuclear plant due to a violation of low to moderate safety significance linked to the maintenance of the plant's emergency diesel generators. The violation stems from the failure of one of the plant's four emergency diesel generators following the August 23, 2011 earthquake that affected the area. The failure was not caused by the earthquake, and Dominion completed repairs a short time later. Ensuing inspections, however, determined that the plant's maintenance procedures did not provide adequate guidance for installing specific gaskets on the generators. Dominion has since revised its maintenance procedures.

<http://www.nrc.gov/reading-rm/doc-collections/news/2012/12-035.ii.pdf>

NRC to Increase Oversight of FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida after Repeated Unplanned Shutdowns

The U.S. Nuclear Regulatory Commission (NRC) on Monday announced its staff is increasing its oversight of Unit 1 at the St. Lucie nuclear power plant as a result of the number and type of unplanned shutdowns the plant has experienced. After its quarterly review of plant performance in April, the NRC found that St. Lucie Unit 1 had crossed thresholds for unplanned scrams per 7,000 critical hours and unplanned scrams with complications. An NRC administrator said that, overall, the plant continues to operate safely, but the shutdowns indicate performance issues that need to be addressed, according to an NRC news release.

<http://www.nrc.gov/reading-rm/doc-collections/news/2012/12-034.ii.pdf>

Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Ramps Up to 45 Percent by May 15

Saint Lucie nuclear Unit 1 experienced an unplanned shutdown March 31 while exiting a refueling outage, when a steam bypass control valve unexpectedly opened, causing an uncontrolled cooldown. The unit briefly restarted on April 6 before shutting again for waterbox repairs on April 7. The unit restarted April 13 but held at 1-2 percent of capacity before ramping up to 29 percent April 22-23. The unit had been operating at around 29 percent until today, when it ramped up to 45 percent of capacity.

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

Update: Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana at Full Power by May 15

On the morning of May 14 the unit was operating at 72 percent.

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

Inland Empire Energy Center's 376 MW Gas-Fired Unit 1 in California Returns to Service by May 14

The unit returned from an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201205141515.html>

GenOn's 215 MW Mandalay Gas-Fired Unit 2 in California Reduced by May 14

The unit entered an unplanned curtailment of 130 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201205141515.html>

Update: AES's 175 MW Alamitos Gas-fired Unit 1 in California Returns to Service by May 14

The unit returned from an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201205141515.html>

Petroleum

Update: Sunoco to Restart Fire-Damaged CDU at Its 335,000 b/d Philadelphia, Pennsylvania Refinery May 17 – Source

Sunoco Inc. continues to make repairs to a crude distillation unit (CDU) damaged by a brief fire last Wednesday in the Girard Point section of its Philadelphia refinery, and operators expect to start the feed to the unit either Thursday or Friday this week, a source familiar with refinery operations said on Monday. Workers discovered a hole in the CDU where the fire occurred, the source said. Reports yesterday indicated—perhaps in error—that the CDU was expected to restart Thursday, May 10.

Reuters, 15:05 May 14, 2012

<http://www.nasdaq.com/article/refinery-status-fccu-hydrotreater-work-under-way-at-chevron-richmond-20120515-01071>

Update: BP Resumes Restart Activities at Its 225,000 b/d Cherry Point, Washington Refinery; On Track to Return to Service This Month – Sources

BP Plc was resuming restart activities at its Cherry Point refinery on Monday, according to sources familiar with refinery operations. BP halted the restart last Thursday when a problem developed on the crude distillation unit (CDU). That problem has since been resolved, the sources said, and the refinery is on track for a mid-May return to service. The refinery has been shut since February, when a fire damaged the CDU.

Reuters, 15:20 May 14, 2012

<http://www.nasdaq.com/article/refinery-status-fccu-hydrotreater-work-under-way-at-chevron-richmond-20120515-01071>

Update: ExxonMobil Restarts HCU at Its 344,500 b/d Beaumont, Texas Refinery May 14

ExxonMobil Corp. restarted a hydrocracking unit (HCU) that tripped last Thursday at its Beaumont refinery and was working to return it to normal operation on Monday, a company spokeswoman said. The company is also working to restart a compressor on the coking unit that malfunctioned on Saturday, the spokeswoman said.

<http://www.reuters.com/article/2012/05/14/refinery-operations-exxon-beaumont-idUSH5E8E500Y20120514?feedType=RSS&feedName=marketsNews&rpc=43>

Citgo Flares Gas, Reduces Rates on Coker and Platformer Unit at Its 163,000 b/d Corpus Christi, Texas Refinery May 13

Citgo Petroleum reported flaring after a third party receiving off gases from Citgo's West Plant at the Corpus Christi refinery shut down intake because the gas's composition was outside an accepted range, according to a filing with state regulators. This caused increased pressure in the flare header and the gas build-up exceeded the capacity of the flare gas recovery compressors. The excess gases were flared. Operators reduced charge rates on the coker and No. 5 platformer unit to reduce the production of refinery off gases until the third party reestablished gas intake. Another report indicated the third party mentioned in the filing is the MarkWest Javelina plant in Corpus Christi.

Reuters, 16:24 May 14, 2012

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=168409>

Accelerate Energy to Build Proposed Floating LNG Export Facility in Port Lavaca on Texas Gulf Coast

Accelerate Energy LP announced today it is moving forward with the development of a floating liquefaction storage offloading vessel (FLSO)—the Lavaca Bay liquefied natural gas (LNG) project—in Port Lavaca on the Texas Gulf Coast. The U.S. Federal Energy Regulatory Commission previously approved the Port Lavaca location for development as an LNG import facility, but Accelerate is now proposing to export LNG from the facility to markets worldwide by 2017. The FLSSO comprises 3 million tonnes per annum (MTPA) of production capacity, 250,000 cubic meters of LNG storage, and a fully integrated gas processing plant. Liquefaction capacity could be increased to 4 MTPA if the FLSSO's processing equipment is removed. The facility will interconnect to the region's existing pipeline system to obtain natural gas and liquefy it onboard the vessel. The project will be designed with the potential for expansion and the addition of a second FLSSO over time, for a total production capacity of up to 8 MTPA. The project is currently in front end engineering and design, which is expected to last until the end of 2012. Following this and successful permitting, Accelerate expects final project delivery to take approximately 44 months. <http://www.accelerateenergy.com/news/accelerate-energy-build-first-floating-liquefaction-export-facility-united-states>

Update: National Fuel Pulls 425 MMcf/d West to East-Overbeck to Leidy Pipeline Project in Pennsylvania from FERC Review; Cites Scheduling Issues

National Fuel Gas Supply Corp. asked the U.S. Federal Energy Regulatory Commission (FERC) to cancel the pre-filing proceeding for its proposed West to East-Overbeck to Leidy Project in Pennsylvania, citing scheduling issues with Marcellus Shale producers and other potential anchor shippers, according to reports. In May 2010 FERC began preparing an environmental assessment of the proposed project, which involved plans to build 78.4 miles of 24-inch pipeline and related facilities, including two compressor stations, in Pennsylvania. The project was meant to provide 425 MMcf/d of gas as firm transportation from producers in the Marcellus Shale region to the interstate pipeline hub of Leidy.

http://www.downstreamtoday.com/news/article.aspx?a_id=36231

Spectra Energy Progressing on Natural Gas Infrastructure Expansion Program in British Columbia

Spectra Energy Corp announced yesterday that the company is progressing on its expansion program in British Columbia (BC), which was designed to develop natural gas infrastructure to meet BC's domestic natural gas needs, as well as those of other energy markets in North America. The recent expansion includes construction of two new natural gas processing facilities in northeast BC, including associated natural gas gathering pipelines, and further expansion of the company's natural gas transmission system in BC. The company also is planning further infrastructure development in the Montney, Horn River, and other developing natural gas resource areas. This next wave of expansion is also expected to include pipeline infrastructure to serve liquefied natural gas export facilities on the BC coast.

<http://finance.yahoo.com/news/spectra-energy-progressing-1-5-195200957.html>

Computer Malfunction Shuts ESD Valves, Leads to Flaring at Southern's 140 MMcf/d Keystone Gas Plant in Texas May 13-14

Southern Union Gas Services reported flaring at its Keystone gas plant after a computer locked up and closed the emergency shutdown (ESD) valves to plant inlet, according to a filing with the Texas Commission on Environmental Quality. The inlet line pressured up, knocking down field units and overloading the low pressure system. An auxiliary burner on the sulfur recovery unit (SRU) also went down, causing the SRU to go down.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=168383>

Third-Party Power Loss Shuts AGI Compressor at Regency's 290 MMcf/d Waha Gas Plant in Texas May 14

Regency Energy Partners reported a third-party power loss shut the acid gas injector (AGI) compressor at its Waha gas plant Monday, according to a filing with state regulators. Operators restarted the compressor later that night when power was restored, the filing said.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=168433>

Other News

Nothing to report

International News

Update: Total Starts Well-Intervention Operation to Stop the Elgin Natural Gas Leak in North Sea

Total SA reported that it has today started the planned well intervention operation to stop the leak from the G4 well on the Elgin complex, according to a press release. The well intervention operation got underway this morning with the pumping of heavy mud into the well from the main support vessel, the West Phoenix semi-submersible drilling rig, via a temporary pipeline connected to the G4 wellhead. Depending on the precise conditions inside the well, the operation itself and the subsequent observation period will last a few days before it is possible to confirm whether the operation has been fully effective. Total halted production March 26 after discovering the natural gas leak.

<http://www.elgin.total.com/elgin/pressrelease.aspx?contentid=853>

Bomb Hits Crude Oil Pipeline in Eastern Syria – Opposition Activists

<http://af.reuters.com/article/energyOilNews/idAFL5E8GFM6D20120515>

Energy Prices

U.S. Oil and Gas Prices			
May 15, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	94.54	96.19	97.12
NATURAL GAS Henry Hub \$/Million Btu	2.41	2.30	4.10

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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