



ENERGY ASSURANCE DAILY

Wednesday Evening, May 15, 2013

Electricity

PJM Says It Has Enough Power to Meet Summer Electricity Demand in U.S. Northeast

PJM Interconnection on Tuesday reported it expects to have sufficient power to accommodate demand this summer in its service territory, which includes 13 States and the District of Columbia. Operators expect peak power use to rise as high as 155,552 MW, which is less than PJM's all-time peak demand of 163,848 MW. To meet demand, PJM has available 186,884 MW of installed electricity generation capacity and 11,175 MW of demand response and energy efficiency. PJM is making additional preparations after "experiencing back to back summers of super storms and extreme weather," focusing on strategies to recover quickly after natural disasters and other hazards. In addition to the seasonal emergency operations drills with member companies, PJM has been meeting with member companies and hosting forums to look at resiliency and to share lessons learned from responding to Hurricane Sandy and other extreme weather events.

<http://www.pjm.com/~media/about-pjm/newsroom/2013-releases/20130514-pjm-has-enough-power-to-meet-hot-summer-demand.ashx>

Update: Entergy Upgrading 10 Nozzles on Leaking Injection Refueling Water Tank at Its 730 MW Palisades Nuclear Power Plant in Michigan – Congressman

U.S. Rep. Fred Upton on Monday said operators at Entergy Corp.'s Palisades Nuclear Power Plant have found the source of a water leak that forced the shutdown of the plant on May 5 and are making repairs to prevent a repeat. Entergy shut the plant due to water leakage from the safety injection refueling water (SIRW) tank. Upton said operators are upgrading the tank's 10 nozzles.

<http://finance.yahoo.com/news/upton-cause-entergy-nuke-plant-143829117.html>

Duke Energy Reports Turbine Building Sump Leak at Its 1,129 MW Catawba Nuclear Unit 2 in South Carolina May 15

Duke Energy on Wednesday reported a leak in a fiberglass discharge pipe from the turbine building sump at its Catawba Unit 2 had leaked at least 100 gallons of water containing tritium and had the potential to reach groundwater, according to a filing with the U.S. Nuclear Regulatory Commission. Operators were installing a temporary sump pump in the turbine building sump to isolate the discharge path. Catawba Unit 2 has continued to operate at 100 percent power.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2013/20130515en.html>

Update: Wolf Creek's 1,165 MW Wolf Creek Nuclear Unit 1 in Kansas Ramped Up to 80 Percent by May 15

Wolf Creek 1 is returning from an outage that began on May 6, when operators shut the reactor due to an air conditioning unit malfunction. Operators restarted the unit on May 13.

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

Update: Duke Energy's 900 MW Harris Nuclear Unit 1 in North Carolina Ramped Up to 95 Percent by May 15

On the morning of May 14 the unit was operating at 75 percent.

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

AES's 498 MW Alamitos Natural Gas-Fired Unit 5 in California Shut by May 14

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201305141515.html>

NRG's 215 MW Mandalay Natural Gas-Fired Unit 1 in California Shut by May 14

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201305141515.html>

NRG Agrees to Replace Coal as Fuel Source for Its 172 MW Portland Unit 1 and 255 MW Portland Unit 2 in Pennsylvania by June 2014 to Settle Lawsuit

NRG Energy, Inc. has agreed with the States of New Jersey and Connecticut to settle a lawsuit concerning the operation of two coal-fired electric generating units at the company's 570 MW Portland Generating Station in Mt. Bethel, Pennsylvania. The agreement ends a lawsuit brought by the States of New Jersey and Connecticut for alleged noncompliance with the Federal Clean Air Act at the Portland plant. To meet the requirements of the settlement, NRG will stop using coal as fuel in two units at its Portland facility by June 1, 2014 after receiving the appropriate regulatory approvals. The units were previously scheduled to be deactivated on January 6, 2015. The Consent Decree will be provided to the U.S. Department of Justice and U.S. Environmental Protection Agency for review and comment for a period of 45 days and then must be approved by the U.S. District Court for the Eastern District of Pennsylvania.

http://phx.corporate-ir.net/phoenix.zhtml?c=121544&p=irol-newsArticle_Print&ID=1820404

Update: Georgia Power to Purchase Output from Rollcast's 53.5 MW Biomass-Based Piedmont Green Power Plant in Georgia

Georgia Power on Tuesday announced it has signed a 20-year power purchase agreement with Rollcast Energy, Inc., under which Georgia Power will receive all generation output from Rollcast's 53.5 MW biomass-based Piedmont Green Power project, which began commercial operation on April 19. The Piedmont plant uses forestry byproducts found in places such as logging areas and land clearings, and is expected to process 500,000 tons of woody biomass annually.

<http://www.georgiapower.com/about-us/media-resources/newsroom.cshtml>

<http://www.piedmontgreenpower.com/overview.php>

Petroleum

TransCanada's 590,000 b/d Keystone Crude Oil Pipeline Resumes Operations May 14 after Planned Shutdown Extended Due to Power Outage May 13

TransCanada Corp. on Wednesday said its Keystone crude oil pipeline resumed normal operations late Tuesday night after a 1-day shutdown. Operators had scheduled to shut the pipeline for planned work, but the closure began earlier than expected as a power outage cut electricity to the company's Alberta pumping stations. A spokesman said the shutdown would not affect planned shipments on the line, which takes Alberta crude to Illinois and to Cushing, Oklahoma.

Reuters, 11:08 May 15, 2013

Update: NuStar Shelves Proposed Niobrara Falls Project to Transport Niobrara Shale Oil from Colorado to Texas on Lack of Shipper Interest

NuStar Energy LP has shelved a proposal to use new and existing pipelines to move crude oil from the Niobrara shale oil play in Colorado to Texas for lack of shipper interest, a spokesman said on Wednesday. The company can revisit the project, which would have reversed two refined products pipelines and converted them to crude service, in the next couple of years as production increases in the play. NuStar first gauged shipper interest in October last year and twice extended the open season.

Reuters, 10:10 May 15, 2013

Enbridge Reports AGI Unit Shutdowns at Its Tilden Gas Plant in Texas May 11–13

Enbridge reported several incidents at its Tilden plant last weekend during which acid gas injector (AGI) units shut down, according to filings with the Texas Commission on Environmental Quality. On May 11, AGI-1 went down on high suction pressure due to operator error. On May 12, AGI-1 went down on compressor motor fault, and AGI-2 went down on high discharge pressure. On May 13, a gas process unit went down on high glycol temperature, causing a gas compression fault on high discharge pressure. While bringing on auxiliary compression, AGI-1 went down on low suction pressure. While trying to bring AGI-1 online the associated pump would not maintain pressure, forcing operators to shut-in AGI-1 and AGI-2 to relieve pressure.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=182712>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=182715>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=182736>

Other News

Officials Seek Missing Nuclear Gauge Lost in West Virginia

The Pennsylvania Department of Environmental Protection (DEP), the U.S. Nuclear Regulatory Commission, and West Virginia State officials are searching for a missing portable gauge containing sealed sources of radioactive material that was lost in West Virginia on May 3, and are asking anyone with information on the missing gauge to report it to DEP. The gauge, a Troxler Model 3430 with serial number 32506, was lost when it apparently fell off the back of a truck on I-81 in West Virginia between mile markers 17 and 24. The bright yellow gauge is commonly used in road construction for taking measurements in the ground, and it is about the size of a shoe box, with electronic controls and a metal rod extending from the top surface. As long as the device is not tampered with or damaged, it presents no hazard to public safety.

<http://www.portal.state.pa.us/portal/server.pt/community/newsroom/14287?id=19972&typeid=1>

Air Products and Chemical Launches Carbon Capture, Utilization, and Storage Operations at Its Port Arthur, Texas Hydrogen Production Facility

The U.S. Department of Energy on May 10 announced Air Products and Chemicals' hydrogen production facilities in Port Arthur, Texas has successfully begun capturing carbon dioxide (CO₂) from industrial operations and is now using that carbon for enhanced oil recovery (EOR) and securely storing it underground. At full-scale operation, more than 90 percent of the CO₂ from the product stream of two methane steam reformers will be delivered for sequestration and EOR, which will lead to an estimated annual increase in oil production of 1.6 to 3.1 million barrels from the West Hastings oilfield located about 20 miles south of Houston, Texas. The two retrofitted plants produce commercial bulk hydrogen primarily for use at the nearby Valero refinery. The project included retrofitting the plants and constructing a 13.1-mile feeder that connects the two plants to an existing 24-inch CO₂ pipeline, Denbury's Green Pipeline, that begins in Louisiana and ends at the West Hastings field. The first plant has been capturing carbon dioxide since December 2012, while the second plant completed construction in February and began carbon capture operations in March. Both units are now operating at full capacity.

<http://energy.gov/articles/breakthrough-industrial-carbon-capture-utilization-and-storage-project-begins-full-scale>

<http://www.airproducts.com/company/news-center/2013/05/0510-air-products-celebrates-texas-carbon-capture-demonstration-project-achievement.aspx>

Advanced Biofuels to Retrofit 7 MMGal/Year Moses Lake Ethanol Plant in Washington to Produce Advanced Ethanol

Advanced Biofuels USA has purchased a 7 MMGal/Year ethanol plant in Moses Lake, Washington and plans to retrofit the facility and add new pre-treatment process equipment that will lower the capacity of the plant down to 6 MMGal/Year, but upgrade the product to advanced ethanol. The company expects to produce 5 MMGal/Year of cellulosic ethanol from wheat straw and 1 MMGal/Year for waste alcohol.

http://www.biofuels-news.com/industry_news.php?item_id=6237

Energy Department Launches Public-Private Partnership to Deploy Hydrogen Infrastructure

The Energy Department on Monday launched H₂USA—a new public-private partnership focused on advancing hydrogen infrastructure to support more transportation energy options for U.S. consumers, including fuel cell electric vehicles (FCEVs). The new partnership brings together automakers, government agencies, gas suppliers, and the hydrogen and fuel cell industries to coordinate research and identify cost-effective solutions to deploy infrastructure that can deliver affordable, clean hydrogen fuel in the United States.

<http://energy.gov/articles/energy-department-launches-public-private-partnership-deploy-hydrogen-infrastructure>

International News

Alberta Consolidates Energy Regulatory Powers into Single Entity

In an effort to streamline the regulatory process, Alberta is consolidating all energy regulatory powers, now separated among several bodies, into one entity called the Alberta Energy Regulator. In December the provincial government passed the Responsible Energy Development Act, which created a single regulator for oil, natural gas, oil sands, and coal projects in the province. The Energy Resources Conservation Board will cease operations and regulatory powers within provincial departments such as Alberta Environment and Sustainable Resource Development will be transferred to the Alberta Energy Regulator in June. The government expects the full transition to take about a year.

http://www.downstreamtoday.com/news/article.aspx?a_id=39506

<http://www.energy.alberta.ca/initiatives/regulatoryenhancement.asp>

Update: Oil Flow Restored on Iraq-Turkey Export Pipeline May 15 – Turkish Energy Official

The flow of oil from Iraq to Turkey on the Kirkuk-Ceyhan pipeline was restored on Wednesday, a Turkish energy official said, following a 2-day outage caused by a bomb attack. Oil flows on the pipeline, which carries oil from northern Kirkuk oilfields to the Mediterranean port of Ceyhan in Turkey, have been disrupted by bomb attacks three times since May 6.

Reuters, 02:37 May 15, 2013

Energy Prices

U.S. Oil and Gas Prices			
May 16, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	93.96	95.47	94.54
NATURAL GAS Henry Hub \$/Million Btu	3.93	3.88	2.41

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.

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

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