



# ENERGY ASSURANCE DAILY

Wednesday Evening, May 18, 2011

## **Electricity**

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### **Update: Progress Energy's 872 MW Brunswick Nuclear Unit 1 in North Carolina Ramped Up to 31 Percent by May 18**

According to news reports, the unit was shut on May 14. The Nuclear Regulatory Commission reported that on the morning of May 17 the unit was not operating.

<http://www.bloomberg.com/news/2011-05-18/u-s-nuclear-production-rises-for-a-second-day-on-florida-gains.html>

Information also derived from the NRC Power Reactor Status Reports:

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

### **Cabrillo Power's 330 MW Encina Gas-Fired Unit 5 in California Shut by May 17**

According to the California Independent System Operator, the unit reported an unplanned outage by May 17.

<http://www.caiso.com/unitstatus/data/unitstatus201105171515.html>

### **Update: AES's 225 MW Huntington Beach Gas-Fired Unit 3 in California Returns to Service by May 17**

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment by May 17.

<http://www.caiso.com/unitstatus/data/unitstatus201105171515.html>

### **Operators Report CCSW System Temporarily Inoperable at Exelon's Dresden Nuclear Units 2 and 3 in Illinois May 17**

According to a filing with the Nuclear Regulatory Commission (NRC), operators discovered a temporary blockage of suction source for the containment cooling service water (CCSW) system at the Dresden nuclear plant, thereby rendering the CCSW system inoperable for both the 850 MW Unit 2 and 850 MW Unit 3. The cause of the blockage was due to the mistaken installation of "both intake bay 13 stop logs" on May 17. After almost six hours, the stop logs were removed and the CCSW system was declared operable for both units.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110518en.html>

### **Xcel to Shut 347 MW Harrington Coal-Fired Unit 1 in Texas from May 18 to June 1 for Maintenance and Repairs**

According to various filings with state regulators, the company will replace an oil cooler and perform repairs on possible small tube leaks.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=154356>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=154355>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=154358>

## **Petroleum**

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### **In Wake of Mississippi River Flooding, Pipeline Operator Has Reduced Crude Shipments to Delek's 75,000 b/d El Dorado, Arkansas Refinery since May 8**

Due to flooding, crude oil shipments were suspended on a pipeline system that supplies crude oil to Delek's El Dorado refinery. Since May 8, the total throughputs at the refinery were reduced to about 60,000 b/d. The refinery is currently receiving crude from alternative sources. Delek has announced that total throughputs at the El Dorado refinery will be between 50,000 and 65,000 b/d until the crude pipeline resumes normal operations.

<http://www.delekus.com/news/2011/05/el-dorado-refinery-operational-update>

## **Velocity Midstream Partners Building 12-Inch Gardendale Light Oil and Condensate Pipeline and Associated 100,000+ Barrel Hub in Texas**

The company has already begun construction on the 12-inch Gardendale Pipeline which will transport light oil and condensate to Velocity's proposed Gardendale Hub near Gardendale, Texas. The Gardendale Terminal and Hub will have an initial storage capacity of 100,000+ barrels. The pipeline and hub are due to be operational in fall of 2011.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=26645](http://www.downstreamtoday.com/news/article.aspx?a_id=26645)

<http://www.enviro-news.com/news-releases/velocity-midstream-signs-long-term-agreement-with-shell-western-e-p-for-gardendale-pipeline-and-terminal.html>

## **Update: Shell Shuts Heavy Oil Production by May 17 at Cliffdale and Seal Oil Sands Projects in Alberta after Wildfires Shut Plains All American's Rainbow Crude Oil Pipeline**

The two projects together produced an average of about 10,000 b/d last year.

<http://www.cnn.com/id/43065808>

<http://online.wsj.com/article/BT-CO-20110517-714377.html>

## **Companies Will Invest Over \$2 Trillion in Building and Maintaining Canadian Oil Sands through 2035: CERI**

According to the Canadian Energy Research Institute (CERI), companies will invest \$2.1 trillion dollars in building and maintaining oil sands over the next 25 years. CERI predicts \$253 billion of that amount will be invested as capital for construction, while \$1.8 trillion will be for operation, maintenance, and supporting capital.

To read the full report, click here: <http://www.ceri.ca/images/stories/CERI%20Study%20124.pdf>

<http://www.calgaryherald.com/business/Trillions+predicted+oilsands+spending/4791879/story.html>

## **Syncrude Plans to Invest Over \$5 Billion in Oil Sands Infrastructure at Two Oil Sands Mines in Alberta by 2014**

The company plans to spend the money on the construction of multiple mine trains and a tailings composite plant at the Mildred Lake and Aurora North mines in northern Alberta.

<http://www.journalofcommerce.com/article/id44415>

## **CB&I Contracted to Build Storage Tanks at Oil Sands Project near Fort McMurray, Alberta**

The storage tanks are scheduled to be completed in 2013. No other details were made available.

<http://www.b2i.us/profiles/investor/NewsPrint.asp?b=1705&ID=45303&m=rl&pop=1&cat=1889>

## **Natural Gas**

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### **Update: Denali Cancels Proposed Alaska-to-Alberta Natural Gas Pipeline May 17**

Denali – The Alaska Pipeline, a subsidiary of BP and ConocoPhillips, announced on Tuesday that its open season commitments were insufficient and that it will no longer pursue plans to build the proposed \$35 billion pipeline. Denali will withdraw its pre-file application from the Federal Energy Regulatory Commission (FERC) and shut operations over the coming months. According to previous reports, the pipeline could have delivered about 4.5 Bcf/d of natural gas from Alaska to Alberta, Canada via a 1,700-plus-mile pipeline. Existing pipeline systems would then have delivered the natural gas into the lower-48 United States.

<http://www.denalipipeline.com/>

[http://209.184.242.1/business/article.aspx?articleid=20110518\\_49\\_E3\\_JUNEAU631916](http://209.184.242.1/business/article.aspx?articleid=20110518_49_E3_JUNEAU631916)

[http://www.rigzone.com/news/article.asp?a\\_id=107182](http://www.rigzone.com/news/article.asp?a_id=107182)

### **Merchant Energy to Break Ground on 18.9 Bcf East Cheyenne Gas Storage Facility near Sterling, Colorado May 23**

Full build-out of the East Cheyenne Gas Storage (ECGS) facility is expected to take place over the next few years. It will consist of two storage areas: the 11.5 Bcf West Peetz storage area and the 7.4 Bcf Lewis Creek storage area.

The project should have working gas injection by fall, and full cycling capabilities in 2012.

PRN, 11:16 May 18, 2011

<http://www.eastcheyenne.com/AnnouncementRetrieve.aspx?ID=55446>

<http://www.eastcheyenne.com/east-cheyenne-gas-storage.html>

## Other News

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### **Update: USCG Reopens 15 Miles of Mississippi River to Boat Traffic near Natchez, Mississippi May 17**

According to a U.S. Coast Guard (USCG) press release, the USCG reopened the river from mile marker 350 to 365 with tight traffic control, allowing only one tow vessel at a time to transit the area to ensure the integrity of the flood protection structures in place. The USCG had closed this portion of the river on May 16 amid rising water levels. In related news, the USCG reported that one barge terminal remained shut on May 16 along the Ohio River; about 40 had been shut due to flooding last week.

<http://www.floodresponse2011.com/go/doc/4103/1090911/>

<http://af.reuters.com/article/energyOilNews/idAFN1729977220110517>

### **Update: High Water Levels Cause Minor Impacts on Refineries in Louisiana**

Motiva Enterprises reported that its 235,000 b/d Convent, Louisiana and 234,700 b/d Norco, Louisiana refineries are sending products by rail and by truck after rising Mississippi River waters impacted barge dock operations. Both refineries are considered safe from flooding as they are protected by levees.

<http://www.reuters.com/article/2011/05/18/refinery-operations-motiva-idUSN1719344820110518>

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
May 18, 2011			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	99.90	100.64	71.34
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	4.25	4.60	4.34
\$/Million Btu			

Source: Reuters

## Energy Notes

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### **Seagull Makes Contact with Two Power Lines, Briefly Cutting Power to about 10,000 PG&E Customers in Capitola, California May 16**

[http://www.montereyherald.com/ci\\_18072989?source=most\\_viewed](http://www.montereyherald.com/ci_18072989?source=most_viewed)

### **Transformer Explodes along Las Vegas Strip in Nevada, Starting a Small Fire and Knocking out Power to Resorts May 15**

<http://www.mohavedailynews.com/articles/2011/05/16/news/state/doc4dd0db1d789e0254396540.txt>

### **Firefighters Tackle Blaze at Biodiesel Plant in Harborcreek Township, Pennsylvania May 15-16 – Building Is Home to Both American Biodiesel Energy and North American Powder Coatings**

<http://www.goerie.com/apps/pbcs.dll/article?AID=2011305159890>

<http://www.goerie.com/apps/pbcs.dll/article?AID=/20110517/NEWS02/305169921/-1/newssitemap>

### **Maryland Governor to Sign Legislation Classifying Incinerated Trash as Renewable Power Generation, Equivalent to Wind and Solar Generation**

[http://weblogs.baltimoresun.com/news/local/politics/2011/05/omalley\\_will\\_sign\\_wastetoenerg.html](http://weblogs.baltimoresun.com/news/local/politics/2011/05/omalley_will_sign_wastetoenerg.html)

**U.S. Representative Says Bruce Power Withdraws Request to Ship 16 Decommissioned Nuclear Steam Generators and Nuclear Waste Materials from U.S. Great Lakes to Sweden**  
[http://www.upi.com/Business\\_News/Energy-Resources/2011/05/16/No-radioactive-waste-plans-for-Great-Lakes/UPI-87531305549532/](http://www.upi.com/Business_News/Energy-Resources/2011/05/16/No-radioactive-waste-plans-for-Great-Lakes/UPI-87531305549532/)

**Incinerator Briefly Goes Offline after “DCS Card” Malfunctions at Sid Richardson Carbon Big Spring Facility in Texas May 17**  
<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=154574>

## **Links**

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***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**

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<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)