



ENERGY ASSURANCE DAILY

Tuesday, May 22, 2007

Major Development

Update: TVA Restarts Browns Ferry Nuclear Unit 1 in Alabama May 1 After 22 Years

The Tennessee Valley Authority (TVA) restarted the 1,155 MW Unit 1 at the Browns Ferry Nuclear Plant in North Alabama today for the first time in 22 years. Operators will gradually increase power in the reactor over the next several days and will test secondary plant systems to ensure they operate as designed. TVA will continue to conduct tests on the reactor and the other plant systems during the next several weeks, including a series of brief connections to the power grid, followed by deliberate “automatic” trips, or shutdowns, to ensure that safety systems operate correctly. Following these and other tests, the unit will be reconnected to the TVA power system for the final time. TVA shut down all three Browns Ferry reactors in 1985 to address management and operational concerns. Browns Ferry units 2 and 3 were returned to service in 1991 and 1995, respectively. The recovery of Unit 1 used lessons learned from the restarts of units 2 and 3, and Unit 1 has the same upgrades and improvements made on the other two units.

<http://www.tva.gov/news/releases/aprjun07/restart.htm>

Electricity

U.S. Homeland Security Committee Presses NRC on Cybersecurity Policies

In a May 15 letter made public on Friday, U.S. House Committee on Homeland Security Chairman Bennie Thompson (D -MS) and Representative James Langevin (D - RI), who leads the Committee’s Science and Technology subcommittee, asked NRC Chairman Dale Klein to “move with all deliberate speed in ensuring that nuclear plant licensees institute comprehensive cybersecurity policies and procedures on safety and non-safety systems alike.”

<http://www.platts.com/Nuclear/News/6387125.xml?p=Nuclear/News&sub=Nuclear?src=energybulletin>

Update: Constellation’s 620 MW Nine Mile Nuke Unit 1 in New York Exits Outage May 22

The unit exited and outage and ramped up to 1 percent of power production this morning. The company shut the unit on May 17 to work on the turbine lube oil system and fix a small reactor coolant leak.

Reuters, 07:16 May 22, 2007

NPPD to Restart 760 MW Cooper Nuke Unit in Nebraska May 21

The unit had an unplanned shutdown over the weekend.

Reuters, 19:29 May 21, 2007

Petroleum

Water Leak Shuts 100,000 b/d of Oil at BP’s Prudhoe Bay Oil Field in Alaska May 22

BP shut down the 100,000 b/d Gathering Center 2, which processes one-fourth the crude oil produced at the 400,000 b/d Prudhoe Bay oil field, after the company found produced water leaking from a 12-inch pipeline. Fewer than 20 barrels of produced water spilled. Produced water is separated from crude oil at the gathering center and then reinjected in the field. The gathering center is expected to stay shut down for a few days while repairs are made.

Reuters, 10:35 May 22, 2007

<http://www.marketwatch.com/news/story/bp-confirms-100000-barrels-day/story.aspx?guid=%7B1D247822-5CC8-43AE-9A67-9B8A9A569C6F%7D>

Update: FCC Unit Restarts at Sinclair's 71,500 b/d Sinclair Refinery in Wyoming May 19

The company restarted the 22,000 b/d fluidic catalytic cracking (FCC) unit on May 19 after the unit had been shut for 13 days due to internal damage found while the refinery was temporarily shutdown following a power outage. Reuters, 15:16 May 22, 2007

FCC Unit Flares at Valero's 260,000 b/d Port Arthur Refinery in Texas May 21

The flaring at a fluidic catalytic cracking (FCC) unit occurred after the plant stopped processing absorber gas due to an unexpected problem at an off-site facility where the absorber gas is processed. A company spokesman said there was no material impact on production.

Reuters, 18:19 May 21, 2007

FCC Unit Hose Blocked at Citgo's 165,000 b/d Corpus Christi Refinery in Texas May 21

Citgo said that it blocked a hose feeding catalyst to the fluidic catalytic cracking (FCC) unit in order to clean out catalyst without creating an emissions event. Traders said that the event was a "minor blip."

Reuters, 14:01 May 21, 2007

Nigerian Refinery Workers Threaten All-Out Strike

Two main oil unions held two-hour walkouts on Monday and threatened an all-out strike on May 31 to protest the government's sale of the Port Harcourt refinery.

http://www.energyintel.com/PublicationHomePage.asp?publication_id=31

Natural Gas

Alaskan Legislators Approve Governor's Plan for Natural Gas Pipeline

Alaska lawmakers approved the Alaska Gasline Inducement Act (AGIA), which outlines plans for the state to seek proposals for a \$30 billion-plus pipeline to bring Alaska natural gas to market.

NGI's Daily Gas Price Index, May 21, 2007, <http://intelligencepress.com/>

Update: Algonquin Gets FERC Nod to Start Building 16-mile Northeast Gateway Lateral

NGI's Daily Gas Price Index, May 22, 2007, <http://intelligencepress.com/>

Other News

Coal Shipments Slowed Over Past Several Weeks Due to Floods, Fires and Strikes

Overall year to date coal shipments are down 2 percent from last year according to the Association of American Railroads. Trains have been particularly slow during the past few weeks in the Midwest due to floods. This is no cause for concern at present due to the significant increase in coal inventories at coal plants over the past year.

<http://www.platts.com/Coal/News/6387171.xml?p=Coal/News&sub=Coal>

Energy Prices

U.S. Oil and Gas Prices			
May 22, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	65.33	62.92	69.00
NATURAL GAS Henry Hub \$/Million Btu	7.66	7.85	5.91

Source: Reuters

Energy Notes

Five Major Hurricanes May Form in Atlantic Ocean This Year - NOAA

<http://www.bloomberg.com/apps/news?pid=20601103&sid=a9dZ8UpfnUuk&refer=us>

Progress Energy Florida Prepares for 2007 Hurricane Season

<http://www.progress-energy.com/aboutus/news/article.asp?id=16142>

ConEd Plans More Infrastructure Investment and Calls for More Efficiency in New York

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BmolmmkjSUgc%216C%29bfem%5Ev>

Pemex Sees Crude Oil Production in Mexico Leveling Off at 3.1 Million b/d by 2012

Reuters, 17:02 May 21, 2007

Worker Killed in Trinidad Gas Pipeline Fire on Offshore Production Platform May 21

Reuters, 17:02 May 21, 2007

Gunmen Kidnap Lebanese Oil Executive in Nigeria May 22

Reuters, 11:30 May 22, 2007

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/index.aspx>.

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