



ENERGY ASSURANCE DAILY

Tuesday Evening, June 07, 2011

Electricity

Thunderstorms, Hail, and Winds Sweep through Ohio, Knocking Out Power to Tens of Thousands of AEP and FirstEnergy Customers June 7

Reports indicate that parts of Ohio were pelted by golf ball-sized hail this morning, while gusts of 60-70 miles per hour swept across the state. AEP reported 51,235 customers without power as of 2 p.m. on June 7; as of latest reports, 28,475 AEP customers were still without power in Ohio. FirstEnergy reported on its website a range of between 10,000 and 40,000 northern Ohio customers without power earlier today; as of latest reports, the website indicated that somewhere between 2,000 and 17,000 customers were still without power.

<https://www.aepcustomer.com/outagemap/main.aspx?region=aepohio>

http://www.newsnet5.com/dpp/weather/weather_news/large-thunderstorms-slam-northeast-ohio

http://www.firstenergycorp.com/outages/outages.do?state_code=OH

Equipment Failure Knocks Out Power to 23,000 Duke Energy Customers in Ohio June 6

Duke Energy reported 23,000 customers lost power when a transmission line experienced an equipment failure on June 6 around 2 p.m. Duke Energy restored power to all but 23 homes later in the day.

<http://www.duke-energy.com/ohio/outages/current.asp>

<http://www.wlwt.com/r/28146785/detail.html>

<http://communitypress.cincinnati.com/article/AB/20110606/NEWS01/306060019/Duke-restoring-power-after-Clifton-Fairmount-outages?odyssey=navlhead>

Update: FERC Headquarters Operating Normally after Two Power Outages Last Week

An underground Pepco cable providing electricity to the Federal Energy Regulatory Commission (FERC) failed on two occasions last week, once on May 31 and again on June 2. Power was restored late June 2. These outages marked the first time that FERC closed its offices due to a power outage in the 15 years that the commission has been located at the site.

<http://www.ect.coop/industry/news-roundup/news-roundup-for-june-7-2/30315>

All of Sault Ste. Marie, Ontario Loses Power Due to Problem with "3rd Line Station" June 7

PUC Inc. says that the entire city is without power, due to a problem with the main line connecting Sault Ste. Marie to the provincial grid. The city has about 74,948 residents.

<http://www.saultstar.com/ArticleDisplay.aspx?e=3159267>

Update: Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania Ramped Up to 73 Percent by June 7

The unit experienced a scram following a turbine trip on June 3. The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at 20 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire at Full Power by June 7

The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at 68 percent.

Information derived from the NRC Power Reactor Status Reports:

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

FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Ramped Up to 20 Percent by June 7

The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at 1 percent. Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois Ramped Up to 18 Percent by June 7

The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at 1 percent. Information derived from the NRC Power Reactor Status Reports:

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

SMUD's 102 MW Solano Wind Farm in California Shut by June 6

According to the California Independent System Operator, the unit reported an unplanned outage by June 6.

<http://www.caiso.com/unitstatus/data/unitstatus201106061515.html>

Update: AES's 175 MW Redondo Beach Gas-Fired Unit 6 in California Returns to Service by June 6

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201106061515.html>

Update: 291 MW Gila River Dynamic Resource Gas-Fired Unit in Arizona Reduced by June 6

According to the California Independent System Operator, the unit reported an unplanned curtailment of 191 MW by June 6.

<http://www.caiso.com/unitstatus/data/unitstatus201106061515.html>

Update: Luminant Restarting 593 MW Big Brown Coal-Fired Unit 2 in Texas June 7

The unit was shut on June 4 to repair a boiler tube leak. Separately, Luminant announced in a filing with state regulators that the electrostatic precipitator 1-1 outlet west malfunctioned and tripped at the 593 MW Big Brown coal-fired unit 1 on June 6 but did not lead to a shutdown of the unit.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=155231>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=155351>

Four Units Totaling 1,153 MW Shut at Calpine/Mitsue's Greenfield Gas-Fired Power Plant in Ontario by June 7

Unit 1 (212 MW), unit 2 (212 MW), unit 3 (212 MW), and unit 4 (517 MW) all shut by June 7.

Reuters, 08:03 June 7, 2011

Two Units Totaling 1,070 MW Shut at OPG's Lennox Oil- and Gas-Fired Power Plant in Ontario by June 7

Unit 1 (535 MW) and unit 2 (535 MW) both shut by June 7.

Reuters, 08:03 June 7, 2011

Update: High Water Level on Missouri River Prompts OPPD to Declare Emergency at 478 MW Fort Calhoun Nuclear Plant in Nebraska June 6

According to a filing with the Nuclear Regulatory Commission (NRC), the Omaha Public Power District (OPPD) declared an "unusual event" at the plant and said that operators are running it at "Abnormal Operating Procedure AOP-1" due to the high river level. According to previous reports, OPPD is installing sandbags and flood barriers to protect the facility.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110607en.html>

<http://www.1011now.com/news/headlines/123270708.html>

ATCO Electric Planning 250-Mile Hanna Regional Transmission Development Project in Alberta

ATCO Electric's Hanna Regional Transmission Development Project will consist of 250 miles of new and existing transmission lines, new substations, and upgrades to existing substations. Construction will begin this summer, and finish in 2013.

MKW, 15:56 June 6, 2011

http://www.elp.com/index/display/article-display/2180069499/articles/electric-light-power/t-and-d/transmission/2011/06/Bechtel_selected_for_power_transmission_project_in_Canada.html

Longview Power Announces its New 695 MW Longview Power Coal-Fired Plant in West Virginia Is Generating Electricity June 6

The plant synchronized to the PJM Interconnection grid on May 6. Its peak electrical output has already reached 580 MW out of a planned 695 MW. Longview Power expects to begin commercial operations at the plant during the summer of 2011.

<http://www.powergenworldwide.com/index/display/articledisplay/7624509686/articles/powergenworldwide/coal-generation/new-projects/2011/06/Coal--fired-power-plant-generating-electricity.html>

Petroleum

Power Restored at Valero's 287,000 b/d Port Arthur, Texas Refinery after Lightning Strike Causes Power Outages and Upsets Multiple Units June 6-7

According to a company spokesman, power was restored to production units today after lightning struck the facility late yesterday. The impact on production is still being assessed.

<http://af.reuters.com/article/energyOilNews/idAFN0712411120110607>

<http://www.bloomberg.com/news/2011-06-07/gasoline-heating-oil-futures-rise-on-brent-rally-weaker-dollar.html>

Update: El Paso Electric Outage Temporarily Forces Shut Units at Western Refining's 122,000 b/d El Paso, Texas Refinery Early June 6

According to a filing with state regulators, several units went down in the north and south areas of the refinery. Operators have since restarted the units and returned the refinery to normal rates. According to previous reports, storms toppled two El Paso Electric transmission lines, leading to a brief power outage for 163,000 El Paso customers.

Reuters, 09:42 June 7, 2011

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155336>

<http://www.bloomberg.com/news/2011-06-06/west-texas-sour-discount-widens-after-texas-refinery-outage.html>

<http://online.wsj.com/article/BT-CO-20110607-707856.html>

Citgo Restarts FCCU 2 at East Plant of 163,000 b/d Corpus Christi, Texas Refinery June 6

The number 2 fluid catalytic cracker (FCCU 2) was previously shut due to an equipment failure on June 5.

Reuters, 17:28 June 6, 2011

Reuters, 09:59 June 7, 2011

<http://online.wsj.com/article/BT-CO-20110607-707856.html>

Units Shut, Flaring Reported at Tesoro's 96,860 b/d Wilmington, California Refinery Due to Power Outage June 6-7

According to a company filing, several process units were affected by an unplanned power outage on June 6. The company said that it does not expect the power outage to affect regional product supply commitments. The cause of the power blip is under investigation.

Reuters, 17:49 June 6, 2011

Reuters, 04:20 June 7, 2011

Tesoro's 58,000 b/d Mandan, North Dakota Refinery Runs Low on Crude Supplies Due to Weight Restrictions on Oil Patch Roads Last Week in Divide and Williams Counties, North Dakota – Restrictions Lifted June 6

Williams County originally planned to reassess road conditions on June 7, after shutting them all last week, but reopened them early on June 6 upon a request from the North Dakota Petroleum Council to ensure crude supplies for Tesoro's 58,000 b/d Mandan, North Dakota refinery. The oil patch roads were in need of repair.

http://www.bismarcktribune.com/news/state-and-regional/article_f79fef0-90c6-11e0-8013-001cc4c002e0.html

Flint Hills Resources Says it Will Not Restart Crude Oil Processing Unit in North Pole, Alaska Refinery May 25, Potentially Impacting U.S.-Asia Air Cargo Traffic

As a result, air carriers flying through Anchorage, Alaska's Ted Stevens International Airport will have to rely more heavily on jet fuel imported through the Port of Anchorage. The unit was shut due to economic reasons in 2009, causing a curtailment of U.S.-Asia air cargo traffic. Flint Hills restarted the unit in summer 2010, but shut it again in fall 2010. The refinery will continue to operate two other crude oil processing units, though those units primarily make gasoline and diesel for local markets in addition to some jet fuel for the Anchorage airport.

http://www.downstreamtoday.com/news/article.aspx?a_id=26828

Update: BHP Billiton Is First Company in Deepwater Gulf of Mexico to Bring New Well into Production since May 2010 Moratorium

BHP Billiton Petroleum announced that it has brought into production the first newly drilled well in the deepwater Gulf of Mexico since a drilling moratorium was imposed following the BP Deepwater Horizon oil spill in 2010. The 17,000 b/d SB-201 well was started producing oil on May 30 of this year in the company's Shenzi field.

http://www.rigzone.com/news/article.asp?a_id=107794

Hyundai Heavy Industries Plans to Deploy 110,000 b/d, 141 MMcf/d Goliat FPSO in the Barents Sea

The Goliat floating production, storage, and offloading (FPSO) vessel will produce 110,000 b/d of oil and about 141 MMcf/d of natural gas. It will also have the capacity to store 1 million barrels of oil.

http://www.rigzone.com/news/article_pf.asp?a_id=107779

Shell Says Output at Sabah Oil Field in Malaysia Only Falling by Five Percent Each Year

The result is better than at other mature oil fields in east Malaysia, which are experiencing double-digit rates of decline year-over-year.

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/8966441>

Iraq Considers Giving Oil Companies More Time to Achieve Nationwide 12 Million b/d Production Target

The Iraqi oil minister said on June 7 that the country may agree with oil companies to extend the amount of time they have to achieve their production targets to 13-14 years, up from six to seven years under current contracts. Iraq currently produces 2.7 million b/d and plans to increase production to 12 million b/d.

http://www.sharenet.co.za/news/Iraq_may_cut_oil_output_capacity_goal_minister/1deff3007e8d482af951dc93e908df51

Natural Gas

Alliance Pipeline Will Shut 17A Towner Compressor Station in North Dakota June 8-9 to Perform Unplanned Required Maintenance

According to a company notice, "the station will be taken off-line on June 8th and is not expected to return to service until the morning of June 9th" in order to fix operational issues. System throughput for June 8 has been lowered to two percent as a result.

http://info.alliance-pipeline.com/ips-ui/AppController?cmd=Report&receiver=com.cetelex.ips.ui.ShowEntityReportImg&report_entity_nm=SWN&report_entity_id=200581264

Shell and Qatar Petroleum Plan to Start Up World's Largest Natural Gas-to-Liquids Project in Qatar in Coming Weeks

The Pearl project will process around 3 billion boe over its lifetime from Qatar's North Field. The 140,000 b/d Pearl GTL plant will produce oil products including diesel, kerosene, and naphtha. It is due to come online by the end of the year and hit full capacity in the first quarter of 2012.

<http://www.reuters.com/article/2011/06/07/shell-qatar-gtl-idUSL3E7H70EL20110607>

Other News

Many U.S. Nuclear Plant Operators Are Not Properly Training Employees to Handle a Severe Disaster: NRC

The Nuclear Regulatory Commission (NRC) found that many plant operators are not doing enough to train employees on voluntary emergency guidelines adopted in the 1990s to minimize the impact of accidents or disasters that damage a reactor core. According to the director of the NRC's Office of Nuclear Reactor Regulation, nearly four in ten U.S. nuclear plants do not perform accident drills that simulate reactor core damage. The NRC maintains that all 104 U.S. nuclear reactors are safe despite the findings.

http://news.yahoo.com/s/ap/20110606/ap_on_go_ot/us_nuclear_plants_safety_3

<http://www.bloomberg.com/news/2011-06-06/u-s-says-61-of-nuclear-plants-run-severe-accident-drills-1-.html>

Energy Prices

U.S. Oil and Gas Prices			
June 7, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	98.19	102.89	71.78
NATURAL GAS Henry Hub \$/Million Btu	4.83	4.63	4.60

Source: Reuters

Energy Notes

Entergy Reports 20,016 Customers Lose Power in Texas Early June 7; Just 257 Still in the Dark Later in the Morning

<http://viewoutage.entergy.com/tx.aspx>

Lightning Storm Knocks Out Power to 20,000 Hydro One Customers in Ontario Morning of June 7; Hydro One Reports 6,333 Still Lack Electricity

<http://www.hydroone.com/stormcenter/>

<http://news.nationalpost.com/2011/06/07/early-morning-lightning-storm-ignites-three-homes-leaves-20000-without-power/>

Entergy Reports 12,098 Customers Are Without Power in Louisiana June 7

<http://viewoutage.entergy.com/la.aspx>

Constellation Energy Plans 65 MW of Solar Power across the U.S., Including an Aggregate 25 MW of PV Plants near Sacramento, California to Open by the End of 2011 – Constellation Plans to Sell the 25 MW to SMUD

<http://investor.satcon.com/phoenix.zhtml?c=93692&p=irol-newsArticle&ID=1571531&highlight>

SDG&E Issues Smart Grid Plan – Will Invest Total of \$3.5-3.6 Billion in Smart Grid Deployments across California Service Territory from 2006-2020

<http://www.sdge.com/smartgrid/deployment/index.shtml>

<http://www.prnewswire.com/news-releases/sdge-outlines-plan-for-regions-smart-grid-future-123250838.html>

ExxonMobil Reports Flaring at 238,600 b/d Joliet, Illinois Refinery June 7

Reuters, 04:47 June 7, 2011

ConocoPhillips Reports Flaring at 120,200 b/d Rodeo, California Refinery June 5

<http://online.wsj.com/article/BT-CO-20110607-707856.html>

Compressor Problems at DCP Midstream’s Targa Facility in Texas Force West Seminole San Andres Unit Central Tank Battery and XTO Energy’s Russell Compressor Station to Flare Gases June 6-7

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155337>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155343>

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 EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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

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