



ENERGY ASSURANCE DAILY

Tuesday Evening, June 14, 2011

Electricity

Thunderstorms Roll through U.S. South, Leaving 85,000 Customers without Power in Arkansas, Mississippi, and Tennessee June 13

The following utilities reported outages Monday afternoon due to severe storm activity:

- Memphis Light, Gas, and Water reported a peak of about 50,000 customers lost power in western Tennessee. As of latest reports, 8,094 are still in the dark.
- Entergy reported Monday peaks of nearly 18,000 customers without power in Mississippi, and over 17,000 without power in Arkansas. The company is currently reporting 3,718 without power in Arkansas and 1,358 without power in Mississippi.

<http://mlgw.blogspot.com/2011/06/restoration-update-830am.html>

http://www.mlgw.com/SubView.php?key=misc_outagemap&x=2

<http://www.myfoxmemphis.com/dpp/weather/over-30k-lose-power-from-afternoon-storm-mfo-20110613>

<http://www.baxterbulletin.com/article/20110614/NEWS01/106140345>

<http://www2.wjtv.com/news/2011/jun/13/strong-winds-cause-damage-metro-ar-1969382/>

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

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

Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois Shut by June 14

According to a filing with the Nuclear Regulatory Commission (NRC), there was a manual reactor scram at the unit due to a steam leak in the turbine building. The NRC reported that on the morning of June 13 the unit was operating at 50 percent. Unit 2 was unaffected.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110614en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Update: Xcel's 522 MW Prairie Island Nuclear Unit 1 in Minnesota Ramped Up to 70 Percent by June 14

The Nuclear Regulatory Commission reported that on the morning of June 13 the unit was operating at 50 percent. Information derived from the NRC Power Reactor Status Reports:

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

AES's 506 MW Redondo Beach Gas-Fired Unit 7 in California Shut by June 13

According to the California Independent System Operator, the unit reported an unplanned outage by June 13.

<http://www.caiso.com/unitstatus/data/unitstatus201106131515.html>

Update: NRG's 813 Limestone Coal-Fired Unit 2 in Texas Returning to Service June 13-14

The unit was shut on June 11 to repair a boiler tube leak.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155607>

Enmax's 250 MW Calgary Gas-Fired Unit in Alberta Shut June 13

Reuters, 02:47 June 14, 2011

Four Safety-Related Containment Isolation Valves Impacted by Software Error at Duke Energy's Oconee Nuclear Power Plant in South Carolina Beginning June 2

Three of the four valves were declared operable on June 10, according to a June 13 filing with the Nuclear Regulatory Commission (NRC). The fourth valve was operable on June 11.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110614en.html>

FPL's 512 MW Point Beach Nuclear Unit 2 in Wisconsin Experiences Automatic Reactor Trip during Startup Testing June 13

According to a filing with the Nuclear Regulatory Commission (NRC), an investigation into the failure is in progress.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110614en.html>

NextEra Energy Proposing 150 MW White Oak Wind Project in McLean County, Illinois

The company announced on June 13 that Bank of America is investing \$177 million in the project. The project is also expected to qualify for a cash grant under section 1603 of the American Recovery and Reinvestment Act.

<http://www.nexteraenergyresources.com/news/contents/2011/061311.shtml>

<http://www.bloomberg.com/news/2011-06-13/bank-of-america-invests-177-million-in-nextera-energy-wind-farm.html?cmpid=yhoo>

Obama Administration Announces New Smart Grid Modernization Initiatives at June 13 White House Event "Building the 21st Century Grid"

The administration announced that the U.S. Department of Agriculture will provide \$250 million in loans for smart grid technology deployment as part of the department's Rural Utility Service. The money will be used to upgrade rural electrical transmission lines. The White House also announced a variety of other initiatives to promote smart grid research and deployment. For more information about all announced initiatives, please click on the links below.

http://www.washingtonpost.com/national/white-house-pushes-policies-to-upgrade-nations-aging-electrical-network/2011/06/13/AGM4nUTH_story.html

Full event video: <http://www.whitehouse.gov/administration/eop/ostp/pressroom/06132011>

Press release: <http://www.whitehouse.gov/sites/default/files/microsites/ostp/smart-grid-press-release-6-13-2011.pdf>

Fact sheet: <http://www.whitehouse.gov/sites/default/files/microsites/ostp/smart-grid-fact-sheet-6-13-2011.pdf>

"A Policy Framework for the 21st Century Grid: Enabling Our Secure Energy Future" report:

<http://www.whitehouse.gov/sites/default/files/microsites/ostp/nstc-smart-grid-june2011.pdf>

Energy Secretary Chu Announces Five Million Smart Meters Have Been Deployed across the U.S. Using Recovery Funds June 13

In a June 13 blog post, Secretary Chu announced the installation of more than five million smart meters and 140,000 programmable communication thermostats, nationwide, using \$4.5 billion in funding provided under the American Recovery and Reinvestment Act of 2009. According to a press release from the U.S. Department of Energy, Florida Power & Light received \$200 million in Recovery Act funding, and has installed 1.8 million smart meters in Florida as of April 30. CenterPoint Energy also received \$200 million, and has installed 1.3 million smart meters in its Texas service territory as of April 30.

<http://blog.energy.gov/blog/2011/06/13/five-million-smart-meters-installed-nationwide-just-beginning-smart-grid-progress>

<http://www.energy.gov/news/10362.htm>

Petroleum

Magellan Products Terminal in Omaha, Nebraska Shuts Due to Flooding June 12

The Magellan Midstream Partners terminal supplies gasoline, ethanol, diesel, and jet fuel to the Omaha, Nebraska area. The company has suspended filling trucks after flooding led to unsafe working conditions. It is not known when normal operations will resume. The company said that customers should not fear gasoline shortages, and that its Sioux City terminal in Iowa is not at risk of flooding.

<http://www.omaha.com/article/20110613/NEWS01/110619913/-1>

BP Shuts Gasoline-Making FCCU-1 at 437,080 b/d Texas City, Texas Refinery June 13

According to a filing with state regulators, the company shut the fluid catalytic cracking unit 1 (FCCU-1) after its electrostatic precipitator stack tripped offline due to an equipment malfunction. The outage occurred just days after the company restarted FCCU-3. BP has not set a date for restarting the FCCU-1.

Reuters, 11:19 June 14, 2011

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155628>

<http://www.marketwatch.com/story/bp-shuts-key-gasoline-making-unit-at-texas-city-2011-06-14>

Coker Unit Snag Reported at Shell's 327,000 b/d Deer Park, Texas Refinery June 12

According to a filing with state regulators, an equipment failure caused coker drums no. 1 and no. 2 to pressure up. Pressure was reduced as soon as possible to minimize flaring.

Reuters, 16:56 June 13, 2011

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155619>

Valero Repairing Exchanger Leak at 87,400 b/d Ardmore, Oklahoma Refinery June 14

No material impact on production is expected.

Reuters, 11:16 June 14, 2011

Petro Source LLC Plans to Ship about 150,000 Barrels per Month Crude by Barge from Port of Catoosa, Oklahoma to the Saint James Area in Louisiana

A company representative said on June 14 that the company plans to ship about 150,000 barrels per month of Bakken and West Texas Intermediate crude oil from its Midwest terminals to Gulf Coast refineries, starting in two to three weeks. The company still needs final approval from the U.S. Coast Guard.

<http://uk.reuters.com/article/2011/06/14/midwest-cushing-barges-idUKN1420377120110614>

OPEC Increased Crude Production by 200,000 b/d from April to May

The Organization of the Petroleum Exporting Countries (OPEC) increased production from 28.84 million b/d in April to 29.04 million b/d in May, according to a Platts survey. Production increases came from Saudi Arabia, Nigeria, Qatar, and Venezuela, while some other countries reduced output (particularly Libya), for a net increase of 200,000 b/d.

http://www.rigzone.com/news/article.asp?a_id=108026

Natural Gas

Citing Economic Reasons, Hess Cancels Plans to Build Weaver's Cove LNG Terminal in Fall River, Massachusetts

The company withdrew its plans to build the liquefied natural gas (LNG) terminal, saying that imported gas is too expensive compared to North American shale gas to make the project competitive.

http://articles.boston.com/2011-06-13/lifestyle/29653595_1_hess-lng-onshore-lng-terminal-lng-tankers

CenterPoint Energy Begins Open Season for Proposed Oklahoma Thunder Pipeline Expansion June 14

The company announced the start of the non-binding open season on June 14 for a potential pipeline expansion to bring natural gas from western Oklahoma to markets in the state.

<http://www.centerpointenergy.com/newsroom/newsreleases/bc7ac49a47e80310VgnVCM10000026a10d0aRCRD/>

Update: Sewer Pipe Construction Work "Most Likely" Cause of Increased Stress on PG&E's San Bruno Gas Pipeline which Exploded 16 Months Later

According to the California Public Utilities Commission's Independent Review Panel, ground shaking from the construction work likely weakened faulty welds in the pipe, turning a "stable" threat into an "unstable" one. The pipeline fatally exploded on September 9, 2010. The National Transportation Safety Board will determine the final cause in a report not expected to come out until the fall.

http://www.downstreamtoday.com/news/article.aspx?a_id=26902

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
June 14, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	99.00	98.19	74.60
NATURAL GAS Henry Hub \$/Million Btu	4.59	4.83	4.68

Source: Reuters

Energy Notes

Florida International University and 12,000 FPL Customers Lose Power in Miami-Dade County, Florida for One Hour June 13, after Bird Builds Nest too Close to Transformers

<http://www.nbcmiami.com/news/weird/123781749.html>

Black Hills Cancels Plans to Build 20 MW Belle Fourche Wind Farm in South Dakota June 13 after State PUC Dismisses Company's Request for a Declaratory Ruling

<http://www.blackhillscorp.com/news11/061311c.pdf>

2,600 Homes in AEP's Service Territory in Jefferson County, Ohio Lose Power for Nearly Six Hours after Copper Wire Thieves Target Substation June 13

<http://www.wtov9.com/news/28234489/detail.html>

http://www.abc6onyourside.com/template/inews_wire/wires.regional.oh/2d79f4db-www.abc6onyourside.com.shtml

Thieves Stole \$133,000 in Copper from PG&E from Start of 2011 through Mid-May

http://www.mercurynews.com/breaking-news/ci_18250212?nclick_check=1

Police Arrest Two Possible Copper Burglars at Salt River Project Electrical Box in Arizona June 11

<http://www.azcentral.com/arizonarepublic/local/articles/2011/06/14/20110614mesacopperbust0614.html>

Update: About 12,500 b/d of Penn West Oil Production Still Shut In Following Last Month's Wildfires in Alberta – the Company Had Shut In a Peak of 25,000 b/d

<http://www.cknw.com/Channels/News/Calgary/Story.aspx?ID=1440001>

Update: FortisBC Completes 1.5 Bcf Mt. Hayes LNG Storage Tank on Vancouver Island, British Columbia June 10 – The Facility Will Come into Service by Late 2011

[http://www.fortisbc.com/MediaCentre/NewsReleases/2011/Pages/FortisBC-completes-construction-of-\\$200-million-natural-gas-storage-facility-on-Vancouver-Island.aspx](http://www.fortisbc.com/MediaCentre/NewsReleases/2011/Pages/FortisBC-completes-construction-of-$200-million-natural-gas-storage-facility-on-Vancouver-Island.aspx)

Tanker Truck Carrying 8,000 Gallons of Ethanol Rolls Over and Explodes, Killing Driver, in Barre, New York June 14

<http://www.13wham.com/news/local/story/Ethanol-Tanker-Explosion-In-Barre/3-u0JS2pSUj8jtLO4YyFUQ.csp>

High Differential Pressure Reported at Javelina Gas Processing Facility in Texas June 13

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155605>

Acid Gas Injection Compressor C-401 Shuts at Aker Gas Plant in Texas after Upset Due to “Loss of Communication on the SALOF System” June 13

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155613>

Acid Gas Compressor C-14 Shuts, Restarts on Low Compressor Oil Pressure at Sand Hills Gas Plant in Texas June 13

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155623>

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.

ENERGY ASSURANCE DAILY

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

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