



ENERGY ASSURANCE DAILY

Tuesday Evening, July 07, 2009

Electricity

Update: Opponents Criticize SDG&E Plan to Cut Power to Rural Areas to Prevent Wildfires

Critics told the California Public Utility Commission that a plan by San Diego Gas & Electric (SDG&E) to cut power to rural areas to prevent wildfires would not have prevented the wildfires that raged through southern California in 2007 and would have impeded evacuation procedures. SDG&E says that the plan, which would cut power to up to 60,000 customers during dry, windy weather, is needed to prevent disasters. Investigators say that three of the wildfires of 2007 were caused by arcing power lines operated by SDG&E.

<http://www3.signonsandiego.com/stories/2009/jul/07/sdgampe-shut-proposal-criticized/>

T. Boone Pickens Drops Plans for Largest Wind Farm, Opts for Smaller Projects Instead

Mesa Power LP, the energy company owned by former Texas oilman T. Boone Pickens, has dropped plans to build a 1,000 MW wind farm in Pampa, Texas due to the lack of a transmission line to bring generation from the project to load centers. The plan, which was announced last year, will be replaced by a plan to build three or four smaller wind farms with about 150 turbines each. Company officials are considering six sites for the projects, including places in Wisconsin, Oklahoma, Kansas, and Texas.

http://www.dallasnews.com/sharedcontent/dws/bus/industries/energy/stories/DN-pickenswind_05bus.State.Edition1.19e1daf.html

PSE&G's 1,049 MW Hope Creek Nuke Unit 1 in New Jersey Reduced to 85 Percent by July 7

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Unit Trips at NRG's 1,690 MW Limestone Coal-fired Power Plant July 6

A bad differential pressure switch tripped "A" boiler feed booster pump, which led to a main fuel trip, bringing the unit off line. The plant has two units.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=126475>

Petroleum

Update: ConocoPhillips Says No Plans to Build New U.S. Refinery with Lukoil

ConocoPhillips said July 6 that it was not planning to build a new U.S. refinery despite an earlier statement from the Kremlin, which said Russia's Lukoil would invest in a new refinery on the U.S. East Coast with ConocoPhillips.

<http://www.reuters.com/article/marketsNews/idUSN0626848820090706>

<http://www.reuters.com/article/mergersNews/idUSL629203720090706>

Valero Shuts Naphtha Hydrotreater at 92,000 b/d Ardmore, Oklahoma Refinery July 4

The company said that it shut a naphtha hydrotreater after a fire on July 4, which occurred after thunderstorms briefly knocked out power to the plant. A crude distillation unit (CDU) and a fluidic catalytic cracking unit (FCCU) were not damaged but were put on circulation and stopped processing because they are upstream from the hydrotreater.

Bloomberg News, 15:05 GMT July 7, 2009

No Impact from Fire at Imperial Oil's 72,000 b/d Sarnia Refinery in Ontario July 7

The company said that a "very minor" fire was put out with a fire extinguisher and did not affect production. Bloomberg News, 17:03 GMT July 7, 2009

Update: Militants Claim Attack on Chevron's Okan Manifold in Nigeria

The Movement for the Emancipation of the Niger Delta (MEND) said it "destroyed" the Okan pipeline manifold late on July 5. According to MEND, the Okan manifold controls about 80 percent of the crude oil that Chevron Nigeria Limited sends to its BOP Crude Loading Platform. A Chevron spokesman said that an investigation had started.

<http://www.google.com/hostednews/afp/article/ALeqM5g8uTezeQ4OhaEMtNfryDS6y2NjxA>

Natural Gas

Pipeline Rupture Shuts All Wells Feeding Warwink Gathering System in Texas July 6

According to a filing with Texas regulators, a pipeline rupture occurred on the morning of July 6 on the Warwink 12 line due to an Emergency Shutdown of the Waha gas treating plant, which is part of the Warwink gathering system. Enterprise Products Operating Midstream Pipeline, the pipeline operator, removed the ruptured section and installed a weld cap on the line. Adjoining section will be evaluated for replacement. All wells in the Warwink Gathering System are shut-in for repairs.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=126464>

Power Loss Shuts Aker and Teague Gas Plants in Texas July 6

According to a filing with Texas regulators, The Enbridge Aker Plant shut down after losing utility electric power. This caused the pipeline gathering system feeding Aker and the Teague Plant to pressure up thus overloading the Teague Plant.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=126454>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
July 7, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	63.11	69.22	141.09
NATURAL GAS			
Henry Hub \$/Million Btu	3.30	3.83	13.00

Source: Reuters

Energy Notes

Ohio Enrichment Plant Plans Hinge on DOE Loan Guarantee: USEC

<http://www.platts.com/Nuclear/News/8689908.xml?p=Nuclear/News&sub=Nuclear>

Duke Energy Files Plans for Carbon Storage Study in Southwest Indiana

<http://www.duke-energy.com/news/releases/2009070603.asp>

NY Natural Gas Production Fell 8 Percent in 2008 – State Officials

<http://www.cnbc.com/id/31765255>

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.

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

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