



ENERGY ASSURANCE DAILY

Thursday Evening, July 16, 2009

Electricity

California ISO Issues Southern California Transmission Emergency for Afternoon of July 16 due to High Loads and Temperatures

<http://www.caiso.com/awe/noticelog.html>

FERC Adopts Policy to Accelerate Development of Smart Grid

The Smart Grid Policy Statement sets priorities for work on development of standards crucial to a reliable and smart grid. The new policy adopts as a Commission priority the early development by industry of smart grid standards to: Ensure the cybersecurity of the grid; provide two-way communications among regional market operators, utilities, service providers and consumers; ensure that power system operators have equipment that allows them to operate reliably by monitoring their own systems as well as neighboring systems that affect them; and coordinate the integration into the power system of emerging technologies such as renewable resources, demand response resources, electricity storage facilities and electric transportation systems. The policy will take effect 60 days after publication in the *Federal Register*.

<http://elibrary.ferc.gov/idmws/common/downloadOpen.asp?downloadfile=20090716%2D3162%2822109995%29%2Edoc&folder=3994594&fileid=12083922&trial=1>

Two Recent Copper Thefts Reported at AEP Substations in Ohio

24 Break-ins at AEP Substations Since June 20

Even with copper at half its value from last year, thieves continue to steal the metal. Two copper thefts in one week occurred in the beginning of July at American Electric Power's Westerville, Ohio electrical substations, costing the city in repairs and police time. The value of the copper stolen, however, is estimated at around \$100. In late 2008, AEP started installing copper-clad steel wire that has no scrap-dollar value and is more difficult to cut, according to a company spokeswoman.

http://www.dispatch.com/live/content/local_news/stories/2009/07/15/westerville_copper.ART_ART_07-15-09_B5_Q4EFS00.html

Northeast Utilities Seeking Between \$100 Million and \$150 Million in Federal Stimulus Funds from DOE for Smart Grid Technology in Connecticut, Massachusetts, and New Hampshire

The utility intends to request funding to support the installation of smart grid technology and expanded access to advanced meters for at least 200,000 customers in Connecticut, Massachusetts and New Hampshire. The application will be made through NU's three electric operating companies: Connecticut Light & Power Company (CL&P), Western Massachusetts Electric Company (WMECO) and Public Service of New Hampshire.

http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/07-15-2009/0005060827&EDATE=

Pepco Seeking \$142 Million in Federal Stimulus Funds from DOE for Smart Grid Technology in District of Columbia and Maryland

The utility is seeking grants totaling \$142 million (\$44 million for District of Columbia and \$98 million for Maryland) to help cover the cost of advanced metering infrastructure, distribution automation and direct load control equipment in its service territories. If awarded by DOE, the grants would represent 50 percent of the total project spend, which is the maximum possible under the program.

<http://finance.yahoo.com/news/Pepco-to-Apply-for-142-bw-1922517704.html?x=0&.v=1>

Constellation's 873 MW Calvert Cliffs Nuke Unit 1 in Maryland Shut July 15

The unit shut due to the failure of one of the four containment air cooler motors, according to a company spokesman, who expects the outage to be short but could not provide an estimate of when full power will be reached.

Bloomberg News, 17:39 GMT July 16, 2009

Reuters, 9:30 July 16, 2009

Update: Duke Energy's 510 MW Moss Landing Gas-fired Unit 2 in California Returns to Service by July 15

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 260 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200907151515.html>

Update: Southern's 870 MW Hatch Nuke Unit 2 in Georgia Ramped Up to 90 Percent by July 16

According to a report from the U.S. Nuclear Regulatory Commission, the unit ramped up from 38 percent on July 15. Power had been reduced to fix a small leak in the condenser, which uses river water to cool the plant systems.

Reuters, 7:32 July 16, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

Update: Energy Northwest's 1,131 MW Columbia Nuke Unit in Washington Ramped Up to 99 Percent by July 15

According to the Nuclear Regulatory Commission, the unit ramped up from 55 percent on July 15. The unit was reduced so that workers could fix a leak in a pipe in the plant's condenser system. The leak caused a fire two weeks ago that forced the unit offline for several days. The plant was brought back up to full power after the shutdown so that the leak could be found.

Bloomberg News, 17:39 GMT July 16, 2009

Reuters, 7:41 July 16, 2009

<http://www.tri-cityherald.com/945/story/641801.html>

Information also derived from the NRC Power Reactor Status Reports:

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

OPG's Gas- and Oil-fired Lennox Units 1, 2, and 4 (525 MW each) in Ontario Went Offline July 16

These three units were not producing at the time. Units 1 and 2 reduced capability by 525 MW each between midnight and 1:00 AM the morning of July 16, while Unit 4 reduced capability by 523 MW between 10:00 AM and noon July 16.

http://reports.ieso.ca/public/GenOutputCapability/PUB_GenOutputCapability_20090716.xml

Reuters, 9:30 July 16, 2009

Reuters, 9:30 July 16, 2009

OPG's 260 MW Abitibi Canyon Hydro-fired Unit in Ontario Shut July 16

Reuters, 9:30 July 16, 2009

CDWR's 933 MW Hyatt-Therm Hydro Center in California Reports 273 MW Curtailed on the Afternoon of July 15

The Center had 68 MW curtailed on the afternoon of July 14.

<http://www.caiso.com/unitstatus/data/unitstatus200907151515.html>

Petroleum

Kinder Morgan to Build Petroleum and Ethanol Storage Facility in New York Harbor with Capacity of 1 Million Barrels

In a July 15 earnings release, Kinder Morgan reported entering into an agreement with a major oil company to invest approximately \$60 million to build the storage facility at its Carteret, New Jersey, terminal. Capacity is expected to be online by mid-2011.

<http://www.platts.com/Oil/News/6453874.xml?p=Oil/News&sub=Oil>

U.S. Fuel Demand Fell to 11-Year Low in First Six Months of 2009; Crude Oil Production Climbed During Same Period, API Reports

According to a report released by the American Petroleum Institute, U.S. fuel demand decreased 9.6 percent from a record 20.75 million barrels a day reached in the first half of 2005. Deliveries of petroleum products declined 5.8 percent to an average 18.7 million barrels a day from January through June 2009. API said the decrease resulted from curbed shipping and air traffic from the economic slowdown. API also reported that U.S. crude-oil production in the January-to-June period climbed to 5.29 million barrels a day, the highest level since 2005. The increase reflected new production from platforms in the Gulf of Mexico and gains in North Dakota and other areas, the API said.

http://www.api.org/Newsroom/us_oil_demand_june09.cfm

Total Declared Force Majeure on Nigeria Amenam Crude July 13

Total announced today that force majeure was declared on exports due to a fire on a turbine compressor July 11. A spokeswoman for the company stated that limited production has restarted and the effective impact on production is currently being evaluated.

Reuters, 10:49 July 16, 2009

Update: Valero Completes Shutdown of 275,000 b/d Refinery in Aruba

The company reported that the refinery was shutdown due to economic reasons. According to a company spokesman, restarting the refinery may be considered in two to three months after economic conditions are reevaluated.

Reuters, 9:42 July 16, 2009

Natural Gas

Arrests Continue on Natural Gas Liquids Theft Ring in Texas

Local and state police in seven eastern Texas counties continued to make arrests this week after cracking a ring of natural gas liquids thieves. Seventeen people connected with the theft of at least \$4 million worth of gas condensate from separation tanks in the counties of Panola and Rusk were indicted July 14.

<http://www.platts.com/Natural%20Gas/News/6453845.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
July 16, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	60.86	60.04	134.46
NATURAL GAS Henry Hub \$/Million Btu	3.37	3.22	11.79

Source: Reuters

Energy Notes

**Tanker Truck Loaded with Gasoline and Diesel Hit by Other Vehicles July 15
Explosion Causes Bridge to Collapse onto I-75 and Knocks Out Power to 10,000 DTE
Customers in Michigan**

<http://www.wxyz.com/mostpopular/story/UPDATES-I-75-Closed-After-Huge-Explosion/DfqWrkOca0avFwo2l2ybSA.aspx>

**Explosion Reported on Kinder Morgan and Energy Transfer Partners's Midcontinent
Express Natural Gas Pipeline in Mississippi July 16 – One Worker Killed**

Bloomberg news, 10:41 July 16, 2009

National Grid Reported 10,785 Customers in New York Without Power Early July 14

<https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx>

**Westar Energy Files Letter of Intent for \$20 Million in Federal Funds to Implement Smart
Grid Infrastructure in its Service Territory throughout Kansas**

Reuters, 12:09 July 16, 2009

**Waste Management and Westar Energy Plan 6 MW Landfill Gas-to-Energy Power Plant
in Kansas**

<http://finance.yahoo.com/news/Waste-Management-and-Westar-iv-2740363496.html?x=0&.v=1>

**FERC Approves Bobcat Storage's In-Service Request for Second Gas Storage Cavern in
Louisiana**

Natural Gas Intelligence's July 16, 2009 <http://intelligencepress.com/>

<http://elibrary.ferc.gov/idmws/search/advResults.asp>

**NGS Investments Subsidiary Tres Palacios Gas Storage Seeks Clearance from FERC to
Place its Storage Header System in Texas in Service on July 20**

Natural Gas Intelligence's July 16, 2009 <http://intelligencepress.com/>

**Jetstream Wind to Build 10 MW Hydrogen Power Plant in New Mexico with Zero-
Emissions**

<http://www.jetstreamwind.com/Artist.asp?ArtistID=19287&Akey=45XCHM8A>

**Former CIA Director Says Distributed Energy Storage Would Help Secure U.S. Electric
Grid from Terrorists**

<http://www.reuters.com/article/mnEnergy/idUS408416919820090714>

U.S. January-June Oil Imports Fell by 7.6 Percent over One Year to 12.048 MMb/d, American Petroleum Institute (API) Reports

<http://www.platts.com/Oil/News/8720004.xml?p=Oil/News&sub=Oil>

Department of Energy to Invest \$52.5 Million in Thirteen Concentrated Solar Power Projects throughout U.S.

<http://www.platts.com/Electric%20Power/News/6453847.xml?p=Electric%20Power/News&sub=Electric%20Power>

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

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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