



ENERGY ASSURANCE DAILY

Monday Evening, July 18, 2011

Electricity

Strong Storm Kills Power to 134,000 Customers in Ontario and Quebec July 17

A strong storm swept through eastern Canada, killing two boaters and damaging Ottawa's Bluesfest on Sunday. Hydro-Québec reported 79,000 customers lost power in Quebec, while Hydro One reported another 55,000 customers without power in eastern Ontario. As of latest reports, 25,309 Hydro One customers remained without power. Hydro One said power should be restored to most homes by 4 p.m. Tuesday.

<http://www.cbc.ca/news/canada/ottawa/story/2011/07/18/ott-storm-damage.html>

<http://www.ctv.ca/CTVNews/Canada/20110718/thunderstorm-cuts-power-eastern-ontario-110718/>

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

Update: ComEd Reports All Customers Who Lost Power during July 11 Storm in Illinois Have Been Restored by July 17

Last Monday's storm knocked out power to 850,000 Commonwealth Edison (ComEd) customers. The company said that the restoration effort following the storm was the largest in the company's history.

<https://www.comed.com/sites/newsroom/Pages/stormcenter.aspx>

MISO Suspends Transmission Maintenance as Grid Operators and Utilities Brace for High Temperatures across the U.S. Midwest and Northeast this Week

The Midwest Independent Transmission System Operator (MISO) is extending and revising Conservative Operations through 10 p.m. EST on July 20. All transmission maintenance is suspended in the affected area for the duration of the Conservative Operations period. As a result of the order, American Transmission Co. ceased some transmission maintenance and vegetation management work in Wisconsin and Michigan. Various utilities, including Commonwealth Edison in Illinois and Orange & Rockland Utilities in New Jersey, are preparing for the heat and promoting conservation. At least one utility, Madison Gas & Electric in Wisconsin, reported record Sunday power usage July 17, and anticipates a new all-time record this week.

<https://www.misoenergy.org/MarketsOperations/Notifications/Pages/ConservativeOperationsInitiate20110718113503.aspx>

<http://www.sacbee.com/2011/07/18/3777462/comed-prepared-for-high-temperatures.html>

<http://www.oru.com/aboutoru/news/2011071801.html>

<http://www.jsonline.com/blogs/business/125757678.html?page=1>

TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Reduced to 62 Percent by July 16, at Full Power by July 17

The Nuclear Regulatory Commission reported that on the morning of July 15 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/2011/>

Southern's 870 MW Hatch Nuclear Unit 2 in Georgia Ramped Up to 94 Percent by July 17

The Nuclear Regulatory Commission reported that on the morning of July 16 the unit was operating at 69 percent. Information derived from the NRC Power Reactor Status Reports:

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

Update: Exelon's 1,161 MW Braidwood Nuclear Unit 1 in Illinois at Full Power by July 16

The Nuclear Regulatory Commission reported that on the morning of July 15 the unit was operating at 86 percent. Information derived from the NRC Power Reactor Status Reports:

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

PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Reduced to 72 Percent by July 16, Ramped Up to 94 Percent by July 17

The Nuclear Regulatory Commission reported that on the morning of July 15 the unit was operating at 94 percent. Information derived from the NRC Power Reactor Status Reports:

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

Constellation's 835 MW Calvert Cliffs Nuclear Unit 2 in Maryland Reduced to 83 Percent by July 16, at Full Power by July 17

The Nuclear Regulatory Commission reported that on the morning of July 15 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/2011/>

Progress Energy's 811 MW Brunswick Nuclear Unit 2 in North Carolina Reduced to 85 Percent by July 17, Ramped Up to 99 Percent by July 18

The Nuclear Regulatory Commission reported that on the morning of July 16 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/2011/>

Dynegy's 335 MW El Segundo Gas-fired Unit 3 in California Returns to Service by July 16

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

<http://content.caiso.com/unitstatus/data/unitstatus201107161515.html>

Dynegy's 510 MW Moss Landing Gas-fired Unit 1 in California Reduced by July 15, Returns to Service by July 16

According to the California Independent System Operator, the unit reported an unplanned curtailment of 260 MW on July 15. The unit then reported a return from the curtailment by July 16.

<http://content.caiso.com/unitstatus/data/unitstatus201107161515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201107151515.html>

Update: Calpine's 135 MW Gilroy Gas-fired Unit in California Returns to Service by July 15

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

<http://content.caiso.com/unitstatus/data/unitstatus201107151515.html>

Operators Report Alert Declared Due to Toxic Gas Release at Dresden Nuclear Plant in Illinois July 15

According to a filing with the Nuclear Regulatory Commission (NRC), sodium hypochlorite leaked at the unit 2/3 cribhouse. Access to the cribhouse, which is a vital area, was restricted. The leak was isolated, and the alert was terminated later in the day.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110718en.html>

Unusual Event Declared Due to Loss of Computers at SCE's San Onofre Nuclear Plant in California July 16

According to a filing with the Nuclear Regulatory Commission (NRC), operators reported an unusual event "due to safeguards system degradation related to access to protected and vital areas of the plant." The incident concluded later in the day.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110718en.html>

Technical Support Center Ventilation System Found to Be Non-Functional at Southern's Hatch Nuclear Power Plant in Georgia July 16

According to a filing with the Nuclear Regulatory Commission (NRC), the alternate Technical Support Center facility remains functional.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110718en.html>

City of Boulder, Colorado and Xcel End Negotiations for Proposed 200 MW Wind Farm July 14

The talks ended amid a dispute between the city and the utility over whether to put a 20-year franchise agreement before the voters on the November 2011 ballot.

<http://www.bizjournals.com/twincities/news/2011/07/14/talks-end-xcel-boulder-over-wind-farm.html>

Facing Environmental Regulations, Duke Energy Plans to Retire All Six Coal-Fired Units Totaling 862 MW at its W.C. Beckjord Station in New Richmond, Ohio by January 1, 2015

The utility announced plans to permanently shut units 1 through 6 due to the U.S. Environmental Protection Agency's proposed Utility Maximum Achievable Control Technology (MACT) rule on July 15. Duke Energy owns units 1 through 5, and jointly owns unit 6 along with American Electric Power and Dayton Power & Light.

www.duke-energy.com/beckjord

<http://www.duke-energy.com/news/releases/2011071501.asp>

NRC's Atomic Safety and Licensing Board Requires Entergy's Indian Point Nuclear Power Plant Undergo Further Safety Review before Receiving a License Extension July 14

The Nuclear Regulatory Commission (NRC) board ruled in favor of New York's attorney general, ruling that the plant needs a stronger review of how operators will deal with "severe accident" scenarios before it can be relicensed for operation. The state of New York had argued that Entergy and the NRC's review of the plant were not adequate. The license for one of the plant's units expires in 2013 and the license for the other unit expires in 2015. Entergy is trying to extend both licenses another 20 years.

<http://finance.yahoo.com/news/Feds-require-more-safety-apf-344047110.html?x=0&v=1>

<http://www.bloomberg.com/news/2011-07-15/indian-point-should-review-accident-impact-plans-board-says-2-.html?cmpid=yahoo>

Update: Federal Appeals Court Upholds Ruling Blocking SWEPCO from Some Construction Work on its Proposed 600 MW John W. Turk Coal-Fired Power Plant in Hempstead County, Arkansas July 14

A U.S. district judge issued the original injunction in October, 2010. Opponents of the plant say Southwestern Electric Power Company (SWEPCO) did not properly evaluate its environmental impacts.

<http://www.businessweek.com/ap/financialnews/D9OFNE100.htm>

Petroleum

PBF Energy's 182,200 b/d Delaware City, Delaware Refinery "Substantially Up and Running" July 15

The company began restarting the refinery in May. Its previous owner, Valero, shut the refinery in November 2009 due to economic reasons. It is not clear whether the refinery has completely restarted.

Reuters, 17:57 July 15, 2011

ConocoPhillips Resumes Normal Operations at 362,000 b/d Wood River, Illinois Refinery July 18

The refinery had been running at reduced rates after a power disruption caused by a thunderstorm shut multiple units on June 25.

Reuters, 12:07 July 18, 2011

Operators at ExxonMobil's 560,640 b/d Baytown, Texas Refinery Reduce Feed to FCC Units 2 and 3 following Upset July 16

According to a filing with state regulators, feed to the two fluid catalytic cracking units (FCCUs) was minimized to stabilize reactors following an upset at the units. There was no impact on production.

Reuters, 10:47 July 18, 2011

Reuters, 21:49 July 18, 2011

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156874>

Venezuela Became World's Largest Holder of Proven Crude Reserves in 2010: OPEC

According to the Organization of the Petroleum Exporting Countries (OPEC), Venezuela's proven crude oil reserves reached 296.5 billion barrels in 2010, a 40.4 percent increase over 2009, and higher than second-place Saudi Arabia's 264.5 billion barrels of proven reserves.

<http://www.foxbusiness.com/markets/2011/07/18/venezuela-oil-reserves-surpassed-saudi-arabia-in-2010-opec/>

Update: Yemen Resumes Pumping Crude Oil through its Main Oil Pipeline July 16

The pipeline, which delivers about 110,000 b/d of light crude from the Maarib oil fields to the Ras Isa export terminal, had been shut since an attack by tribesmen in March. It is not clear at what rate the pipeline is currently operating.

Reuters, 05:50 July 17, 2011

Sunoco Restarts Boiler at 335,000 b/d Philadelphia, Pennsylvania Refinery July 15

The company restarted boiler no. 39 at the no. 3 boiler house on Friday at the Girard Point section of the facility. According to sources, operators also restored a gasoline-making fluidic catalytic cracking unit (FCC) to full production earlier in the week.

Reuters, 15:14 July 15, 2011

Shell Restarting Unspecified Unit at 225,000 b/d Scotford Oil Sands Upgrader near Edmonton, Alberta July 14

According to the company, the startup will cause increased flaring but will not impact production.

http://uk.finance.yahoo.com/news/Shell-restarts-unit-Alberta-targetukfocus-838802383.html;_ylt=A03uoNswpCNO0aEAyAbJybFG;_ylu=X3oDMTFkems5cGJjBHBvewM0BHNIYwNuZXdzSHViQXJ0aWNsZUxpc3QEc2xrA3NoZWxscmVzdGFydA--?x=0

Anadarko, ExxonMobil Agree to Develop Lucius Field in the Gulf of Mexico July 18

Production is set to begin in 2014. Anadarko has ordered a floating production facility which will have a capacity of over 80,000 b/d of oil and 450 MMcf/d of natural gas. According to Anadarko, gas from ExxonMobil's South Hadrian prospect will also be processed through the Lucius facility.

http://www.rigzone.com/news/article.asp?a_id=109189

<http://af.reuters.com/article/energyOilNews/idAFN1E76H0MV20110718>

Update: Rangeland Energy to Complete COLT Crude Oil Hub in North Dakota in 1Q 2012

Construction of the COLT Hub began in May. The project includes three 120,000-barrel storage tanks, as well as rail facilities able to accommodate 120-car unit trains and move more than 80,000 barrels per day by rail. The COLT Connector, a 21-mile, 10-inch bi-directional pipeline will connect the COLT Hub to the Beaver Lodge/Ramberg junction and will be capable of transporting an additional 70,000 b/d by pipeline.

<http://www.rgdenergy.com/news/rangeland-energy-and-tesoro-corporation-execute-anchor-contract-colt-hub-connector-north-dakota>

Natural Gas

Millennium Pipeline Announces Plans to Build Compressor Station in Minisink, New York July 15

The proposed compressor station would boost the capacity of the company's gas pipeline, and increase deliverability of natural gas at the line's Ramapo terminus from 525,400 Dth/d to 675,000 Dth/d.

http://www.millenniumpipeline.com/documents/millennium_pr_07152011.pdf

Other News

Louisiana Approves \$70 Million in Bonds to Help Build LGF's 100 MMGal/Yr. Sugar-to-Ethanol Plant in Lacassine, Louisiana

The Louisiana Public Facilities Authority Board of Trustees approved the bonds for the plant. The plant, which will be owned by Andino Energy and various Lake Charles-area sugarcane farmers, is a project of Louisiana Green Fuels (LGF). It will initially produce 25 million gallons per year from syrup and molasses, and increase to 100 million gallons per year by 2012.

<http://domesticfuel.com/2011/07/18/louisiana-moves-forward-on-sugar-to-ethanol-plant/>

<http://www.lagreenfuels.com/what.html>

Regulation Requiring Two Percent Biofuel Content in All Diesel and Heating Oil Sold in Canada Takes Effect July 1

According to reports, the primary reason for the mandate is a desire to reduce greenhouse gas emissions. According to reports, there will be an 18-month compliance period.

<http://www.ec.gc.ca/energie-energy/default.asp?lang=En&n=0AA71ED2-1>

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/6236616>

<http://www.todaystrucking.com/news.cfm?intDocID=26654>

Energy Prices

U.S. Oil and Gas Prices			
July 18, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	95.11	94.99	75.54
NATURAL GAS Henry Hub \$/Million Btu	4.49	4.19	4.43

Source: Reuters

Energy Notes

Storms Knock Out Power to 24,000 Wisconsin Public Service Customers in Wisconsin July 17-18 – WPS Reports 7,843 Still Without Electricity

<http://wtaq.com/news/articles/2011/jul/18/no-relief-from-hottest-weather-of-season/>

<http://www.wisconsinpublicservice.com/outagesummary/view/outagegrid.aspx>

DCU Snag Causes No Material Impact on Production at Valero's 287,000 b/d Port Arthur, Texas Refinery July 15

Reuters, 16:28 July 15, 2011

Pipeline Ruptures during Testing at BP's 30,000 b/d Lisburne Field in Alaska, Spilling 50-100 Barrels of Oily Water and Methanol onto the Tundra July 16

DJN, 11:24 July 18, 2011

<http://www.reuters.com/article/2011/07/18/us-oil-alaska-spill-idUSTRE76H0VA20110718>

ConocoPhillips Says No Planned Maintenance Is Occurring at 139,000 b/d Los Angeles, California Refinery July 18 – The Company Had Warned Regulators of Planned Flaring at the Refinery from July 19-27

Reuters, 11:05 July 18, 2011

Somali Pirates Hijack UAE-Flagged Oil Tanker MV Jubba XX in the Indian Ocean En Route from UAE to Berbera, Somalia July 16

http://www.downstreamtoday.com/news/article.aspx?a_id=27246

<http://gulfnnews.com/news/gulf/uae/crime/uae-oil-tanker-pirated-in-indian-ocean-1.839135>

ExxonMobil Reports Leak or Spill of Unknown Substance at 238,600 b/d Joliet, Illinois Refinery July 16

Reuters, 04:18 July 18, 2011

Western Refining to Pay \$1.5 Million Federal Fine for Multi-Year Air Pollution Violations at 122,000 b/d El Paso, Texas Refinery – Company Will Also Install Pollution Controls

http://www.downstreamtoday.com/news/article.aspx?a_id=27242

Unit #20 Temporarily Shut to Replace Hot Compressor Valves at Keystone Gas Plant in Texas July 16-17

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156875>

High Pressure Causes Brief Engine Shutdown at Luther Booster Station in Texas July 15

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156870>

Pittsburg Gas Plant in Texas Restarting after Transmitter Failure in the SCOTT Plant Causes Facility Shutdown July 16-17

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156878>

Boiler Shutdown Causes Upset at Aker Plant in Texas July 16-18 – Operators Shut A, B, C, and Sulfinol Plants, but Acid Gas Compressors Remain Online

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156881>

Due to Plant Problem, DCP Midstream Unable to Handle Produced Gas from CAG 437 Satellite Battery in Texas July 15-18

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156845>

West Waddell Field Engines Go Down, Causing Flaring at Goldsmith Gas Plant in Texas July 17

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156882>

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 EDT every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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

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