



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and Energy Reliability  
Infrastructure Security and Energy Restoration

# ENERGY ASSURANCE DAILY

Thursday Evening, July 21, 2011

## ***Electricity***

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### **Update: Extreme Heat Blankets Central and Eastern U.S., Causing Increased Electric Demand – As of Latest Reports, No Curtailments Enacted**

Various independent system operators (ISOs) and regional transmission organizations (RTOs) are reporting the following responses to the heat:

- The Midwest Independent System Operator (MISO) announced July 20 that it successfully managed its highest demand ever in the grid operator's 12-state market area, with demand peaking at 103,975 MW, surpassing the last record of 103,246 MW set on July 31, 2006. At least one small Indiana utility, Tipmont REMC, threatened to initiate rolling blackouts to handle high demand, but had not done so as of latest reports. Another small Indiana utility, Steuben County REMC, asked its customers to conserve energy.
- PJM Interconnection load broke record levels July 20, at 150,715 MW. PJM's previous record peak was 144,644 MW, prior to the integration of the American Transmission Systems Inc. Hub. PJM issued a heavy load voltage warning, meaning generation and transmission operators should prepare to put all units online to meet demand.
- New York ISO (NYISO) issued an "SCR and EDRP Activation" for zones G, H, I, J, and K on July 21 from 1 p.m. to 6 p.m.
- ISO New England has enacted a Master/Local Control Center 2 Alert for the entire region, indicating abnormal conditions exist or are anticipated on the region's bulk power system. It is not, however, a request for conservation.

<https://www.misoenergy.org/AboutUs/MediaCenter/PressReleases/Pages/NewPeakRecordSetinMISORegion.aspx>  
<http://www.therepublic.com/view/story/f1682286df324487a86026fe2c122e39/IN--Indiana-Heat-Rolling-Blackouts/>  
<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/ElectricPower/3584044>  
<http://www.nyiso.com/public/index.jsp>  
<http://www.iso-ne.com/psc/view.do>

### **MISO Proposes New Resource Adequacy Enhancements, Including "Permanent Approach to Demand Response," to Keep Grid in Balance during Future High Load Times July 20**

<https://www.misoenergy.org/AboutUs/MediaCenter/PressReleases/Pages/NewPeakRecordSetinMISORegion.aspx>

### **NSTAR Reports 36,000 Customers without Power in Massachusetts July 20**

Utility crews performed maintenance on a transformer, cutting power to some customers for as long as two hours. Commuter rail delays resulted from the outage.

[http://www.boston.com/news/local/massachusetts/articles/2011/07/21/summer\\_turning\\_up\\_the\\_heat\\_in\\_boston\\_are\\_a/?rss\\_id=Boston.com+--+Local+news](http://www.boston.com/news/local/massachusetts/articles/2011/07/21/summer_turning_up_the_heat_in_boston_are_a/?rss_id=Boston.com+--+Local+news)

### **Environmental Rules Delay Water Permit Approval for Entergy's 2,045 MW Indian Point Nuclear Power Plant in New York July 21**

New rules regarding power plant cooling water intake systems require Entergy spend up to \$2 billion to install a new water cooling system to protect Hudson River fish before the site can receive a water permit. The water permit is required for the U.S. Nuclear Regulatory Commission (NRC) to relicense the plant's two reactors for another 20 years. The existing licenses will expire in 2013 and 2015.

Reuters, 15:54 July 20, 2011

## **NRC Uncovers Numerous Safety Concerns in Post-Fukushima Evaluation at TVA's Watts Bar Nuclear Plant in Tennessee July 21**

A Nuclear Regulatory Commission (NRC) report indicates an NRC inspector discovered that firefighting equipment is stored in a building that is not earthquake-proof. It was also noted that there exists a lack of training preparation for Site Emergency Directors, concerns regarding the ability of the plant to restore power in a blackout, and inadequate procedures to handle internal flooding.

<http://www.wrcbtv.com/story/15108072/report-shows-safety-concerns-at-tvas-watts-bar-nuclear-plant>

## **NRC approves Operating License Extension for PSEG's 1,216 MW Hope Creek Generating Station July 20**

The operating license of the plant was set to expire in 2026 and has been extended through 2046.

<http://www.prnewswire.com/news-releases/nrc-approves-20-year-license-renewal-for-pseg-nuclear-hope-creek-generating-station-125893153.html>

## **Dominion's 1,130 MW Millstone Nuclear Unit 3 in Connecticut Reduced to 88 Percent by July 21**

The Nuclear Regulatory Commission reported that on the morning of July 20 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/>

## **TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee Shut by July 21**

The Nuclear Regulatory Commission reported that on the morning of July 20 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/>

## **Exelon's 850 MW Dresden Nuclear Unit 2 in Illinois Reduced to 82 Percent by July 21**

The Nuclear Regulatory Commission reported that on the morning of July 20 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/>

## **Update: Luminant to Restart 765 MW Monticello Coal-Fired Unit 3 in Texas July 21-22**

The unit experienced a trip on July 19 due to high temperatures on its number 11 turbine bearing.

Reuters, 01:12 July 21, 2011

## **Calpine/Mitsui's Greenfield Gas-Fired Units 1-4 in Ontario Shut by July 20**

The company shut the four units on July 20 for unknown reasons. Units 1, 2, and 3 each have a capacity of 212 MW. Unit 4 has a capacity of 517 MW. All four units are gas-fired.

Reuters, 12:30 July 21, 2011

## **Update: Constellation Dedicates 70 MW Criterion Wind Energy Project in Oakland, Maryland July 19 – Facility Began Commercial Operations in December 2010**

<http://ir.constellation.com/releasedetail.cfm?ReleaseID=592949>

## ***Petroleum***

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## **PHMSA Uncertain Exactly How Many Hazardous Fuel Pipelines Run under Rivers and Streams – Estimates 35,000 Crossings July 21**

According to reports, the U.S. Pipeline and Hazardous Material Safety Administration (PHMSA) does not have an official inventory of where or how many pipelines cross rivers and streams in the country. However, pipeline safety officials were able to estimate on July 21 that the U.S.'s natural gas and hazardous liquids pipelines cross rivers, streams, and lakes in approximately 35,000 locations.

[http://www.salon.com/wires/us/2011/07/21/D9QJV0T80\\_us\\_oil\\_spill\\_stream\\_crossing/index.html](http://www.salon.com/wires/us/2011/07/21/D9QJV0T80_us_oil_spill_stream_crossing/index.html)

## **Pembina Shuts Moosehorn Oil Pipeline Section after 1,300 Barrels of Oil Spill in Alberta July 20**

According to the company, the spill occurred Tuesday morning from its Moosehorn conventional oil gathering pipeline in northern Alberta. The company has isolated the ruptured portion of the pipeline and is investigating the cause of the spill. Pembina plans to ship crude by truck to nearby terminals.

<http://www.foxbusiness.com/industries/2011/07/20/pembina-pipeline-reports-1300-barrel-oil-spill-in-alberta/>

## **Operators Refurbishing 15,000 b/d Nixon Crude Processing Facility in Nixon, Texas**

The facility, which has processing capacity of 15,000 b/d and storage capacity of 295,000 barrels, is currently shut for the final phase of its refurbishment. Upon completion of the refurbishment in the fourth quarter of 2011, the facility will separate crude oil and condensate into diesel, jet fuel, naphtha, and atmospheric gasoil. Initial throughput at that time is estimated to be 10,000 b/d. Blue Dolphin announced on July 20 that it has signed a definitive agreement to purchase the facility from a private company.

<http://www.blue-dolphin.com/releases/release/4739847/23485.htm>

## **Amine System and SRU Upsets Reported at Citgo's 163,000 b/d Corpus Christi, Texas Refinery July 19 – Refinery Resumes Normal Rates by July 21**

According to a filing with state regulators, “hydrocarbons from an unidentified source entered the amine system,” causing upsets in the amine system sulfur recovery unit (SRU). As a result, the refinery was curtailed by an unspecified amount. The refinery has since returned to normal rates.

DJN, 13:50 July 21, 2011

DJN, 15:11 July 21, 2011

<http://www11.tceq.state.tx.us/oce/eei/index.cfm?fuseaction=main.getDetails&target=157025>

## **Update: State Judge Says Imperial Oil May Not Transport Kearl Oil Sands Equipment via Highway 12 in Montana by July 19**

Shipments by the ExxonMobil subsidiary have been delayed since April due to opposition to the company transporting materials on the scenic highway. According to a company spokesman, the ruling has no impact on a permit to use a different route.

<http://www.bloomberg.com/news/2011-07-20/montana-judge-rules-against-exxon-mobil-in-transport-hearing.html>

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## **Natural Gas**

### **El Paso's Southern Natural Gas Reports an Unscheduled Outage at its Holy Trinity Compressor Station on its Natural Gas Line in Alabama July 21**

The company indicates it is unsure when the unit will return to service. The company does not anticipate any impact to firm transportation at this time; however, a 40,000 Dth/d reduction in available interruptible service has occurred as well as a reduction in available peak hour capacity.

<http://ixsnp.sonetpremier.com/ebbmastertpage/Notices/NoticesAutoTable.aspx?code=SNG&status=Notice&name=Critical%20Notices&sParam1=007&sParam7=31106&sParam11=D&details=Y>

### **Update: Cheniere Energy to Begin Construction of Sabine Pass LNG Terminal Project in Cameron Parish, Louisiana in 2012**

The company announced on July 20 that it will spend over \$6 billion on the project, which will transform the terminal into a bi-directional facility, capable of liquefying and exporting natural gas in addition to importing and regasifying foreign-sourced LNG. According to previous reports, the company could begin LNG exports as soon as 2015.

<http://www.americanpress.com/lc/blogs/wpnewssum/?p=24155>

### **Pennsylvania State University Professors Forecast Natural Gas Production in Pennsylvania's Marcellus Shale Will Double this Year July 21**

According to the professors' research, gas production from the state's Marcellus Shale will likely reach the equivalent of 3.5 Bcf/d, more than twice as much as 2010's production. The professors predicted that the state's production is likely to increase to the equivalent of 6.7 Bcf/d in 2012, and 17.5 Bcf/d in 2020.

[http://www.rigzone.com/news/article.asp?a\\_id=109323](http://www.rigzone.com/news/article.asp?a_id=109323)

## Other News

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Nothing to report.

## Energy Prices

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| U.S. Oil and Gas Prices<br>July 21, 2011                             |       |          |          |
|--|-------|----------|----------|
|  | Today | Week Ago | Year Ago |
| <b>CRUDE OIL</b><br><b>West Texas Intermediate U.S.</b><br>\$/Barrel | 99.50 | 97.19    | 76.98    |
| <b>NATURAL GAS</b><br><b>Henry Hub</b><br>\$/Million Btu             | 4.64  | 4.43     | 4.59     |

Source: Reuters

## Energy Notes

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### About 19,000 DTE Energy Customers Lose Power for Unspecified Reasons July 21

[http://twitter.com/#!/DTE\\_Energy/status/94019866994032640](http://twitter.com/#!/DTE_Energy/status/94019866994032640)

<http://www.myfoxdetroit.com/dpp/weather/heat-wave-grips-se-michigan.-temps-expected-to-hit-100-degrees>

### Update: Recent Inspections Revealed “Anomaly” in ExxonMobil’s 12-Inch, 40,000 b/d Silvertip Oil Pipeline before it Spilled Up to 1,000 Barrels of Oil in Montana July 1

<http://www.ktvq.com/news/anomaly-detected-in-exxon-pipeline-before-rupture-in-yellowstone-river/>

### About 10,000 SaskPower Customers Lose Power in Saskatchewan Due to Thunderstorms, Hail, and Wind July 20-21

<http://www.leaderpost.com/Heat+cooled+thunderstorms/5135388/story.html>

### ComEd Utility Pole Catches Fire in Wilmette, Illinois Due to High Energy Use amid Heavy Heat July 21 – One Building Loses Power

<http://triblocal.com/wilmette-kenilworth/2011/07/20/power-line-catches-fire-in-wilmette/>

### Emergency Crews Shut Road and Evacuate Neighborhoods Due to Small Propane Tank Leak in Milton, Vermont July 18

<http://www.burlingtonfreepress.com/article/20110719/NEWS02/110719028/Propane-leak-closes-U-S-7-keeps-residents-from-Milton-homes?odyssey=tab|topnews|text|FRONTPAGE>

### Walgreen Co. Plans to Expand Electric-Vehicle Charging Stations to Cover 800 of its 7,733 Stores by the End of 2011

DJN, 08:55 July 21, 2011

### ConocoPhillips Seeks State Permits to Run More Crude Oil through Santa Maria portion of 120,000 b/d Rodeo, California Refinery – Overall Capacity Would Not Change

Reuters, 13:15 July 21, 2011

### AGI Units #1 and #2 Go Down Due to High Scrubber Level and Suction Pressure at Tilden Gas Plant in Texas July 20

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=157024>

## Acid Gas Compressor (C-14) Shuts Due to High Pressure at Sand Hills Gas Plant in Texas July 20

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=157028>

### Links

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***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](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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