



# ENERGY ASSURANCE DAILY

Thursday Evening, July 26, 2012

## ***Electricity***

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### **U.S. Storm Prediction Center Forecasts Severe Thunderstorms, Widespread Damaging Winds from Ohio Valley to Southern New England July 26**

The U.S. Storm Prediction Center today issued a Public Severe Weather Outlook forecasting severe thunderstorms and widespread damaging winds, including a potential derecho windstorm, over parts of the Ohio Valley to interior southern New England this afternoon and early this evening. The forecast said the risk of widespread damaging winds across the region would increase from midday to mid-afternoon from Indiana and Ohio across Pennsylvania, southeast New York, and into western Massachusetts and Connecticut. Severe storms are also possible from Oklahoma to the Mid-Atlantic region, and across Wisconsin, the forecast said.

<http://www.businessweek.com/news/2012-07-26/possible-derecho-forecast-for-u-dot-s-dot-northeast>

<http://www.bloomberg.com/news/2012-07-25/severe-storms-derecho-possible-in-northeast-tomorrow.html>

<http://www.spc.noaa.gov/products/outlook/pwo.html>

### **New York Governor Asks Locked-Out Con Edison Workers to Return for Possible Severe Storms**

New York Governor Andrew Cuomo on Thursday said that due to the potential emergency response needs that may result from the severe summer storms forecast later today, Consolidated Edison and Local 1-2 of the Utility Workers of America have at his request agreed that necessary personnel will immediately return to work to prepare for the possible storms and will remain on the job for the duration of any emergency and any following repairs. Con Edison locked out 8,500 union members July 1 after failing to reach an agreement on wages, pensions, and health benefits. The utility said today that its union employees will report to work beginning on the 4:00 PM–midnight shift today to assist with potential power restoration efforts resulting from approaching storms.

<http://www.governor.ny.gov/press/07262012-con-edison>

<http://www.coned.com/newsroom/news/pr20120726.asp>

[http://www.coned.com/newsroom/news/pr20120726\\_2.asp](http://www.coned.com/newsroom/news/pr20120726_2.asp)

### **FirstEnergy Utilities in Ohio Valley and Mid-Atlantic Prepare for Possible Severe Storms July 26**

With severe summer storms and high winds predicted from the Ohio Valley to southern New England today, FirstEnergy Corp. announced in a press release that its utilities Ohio Edison, the Cleveland Electric Illuminating Company, Toledo Edison, Jersey Central Power & Light, Metropolitan Edison, Pennsylvania Electric Company, West Penn Power, Pennsylvania Power, Mon Power, and Potomac Edison have started mobilizing employees and resources should the storm impact customers' electric service.

[https://www.firstenergycorp.com/newsroom/news\\_releases/firstenergy\\_utilitiesprepareforpossiblehighwindsandseverestorms.html](https://www.firstenergycorp.com/newsroom/news_releases/firstenergy_utilitiesprepareforpossiblehighwindsandseverestorms.html)

### **U.S. Midwest Power Demand Breaks Record Due to Heat July 23 – MISO**

The Midwest Independent Transmission System Operator (MISO) announced a new all-time record for energy use in its 11-state service region amid a heat wave on Monday. The demand for energy use reached 98,576 MW at 3:54 PM EDT, MISO said in a press release. The previous all-time record of 98,526 MW was set in July 2011. MISO issued Conservative Operations and Hot Weather alerts Monday around noon, suspending transmission maintenance and conducting a review of outage plans for deferral and cancellation.

[http://www.reuters.com/article/2012/07/25/utilities-midwest-heatwave-](http://www.reuters.com/article/2012/07/25/utilities-midwest-heatwave-idUSL2E8IPBTC20120725?feedType=RSS&feedName=utilitiesSector&rpc=43)

[idUSL2E8IPBTC20120725?feedType=RSS&feedName=utilitiesSector&rpc=43](http://www.reuters.com/article/2012/07/25/utilities-midwest-heatwave-idUSL2E8IPBTC20120725?feedType=RSS&feedName=utilitiesSector&rpc=43)

<https://www.midwestiso.org/AboutUs/MediaCenter/PressReleases/Pages/NewMarketPeakDemandRecordSetinMISORegion.aspx>

## **Entergy's 813 MW FitzPatrick Nuclear Unit in New York Reduced to 82 Percent by July 26**

On the morning of July 25 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

## **Update: Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania at Full Power by July 26**

Limerick Unit 1 is returning from an outage that began July 18, when operators shut the unit after an electrical fault in a transformer caused a loss of power to the generator cooling equipment. Operators restarted the unit July 23.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

## **Update: Constellation's 825 MW Calvert Cliffs Nuclear Unit 1 in Maryland at Full Power by July 26**

Calvert Cliffs Unit 1 is returning from an outage that began July 21, when operators shut the unit after discovering an RCS Pressure Boundary Leakage from the instrument line to a reactor coolant pump differential pressure transmitter. The unit restarted by July 25.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

## **Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Reduced to 29 Percent by July 26**

Saint Lucie Unit 1 is returning from an outage that began by July 19. Florida Power & Light (FPL) has not yet indicated why the reactor was shut. The unit was ramped up to 85 percent power by July 25, before being reduced again by July 26.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

## **PG&E's 407 MW Helms Hydro Unit 1 in California Returns to Service by July 25**

The unit returned from an unplanned outage that began by July 24.

<http://content.aiso.com/unitstatus/data/unitstatus201207251515.html>

## ***Petroleum***

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### **U.S. East Coast Refined Product Supply Concerns Ease on Status of Pennsylvania Refineries, Increased Flows from Waterborne and Midwestern Sources – EIA**

The U.S. Energy Information Administration (EIA) on Wednesday reported that concerns regarding the supply of refined products on the U.S. East Coast have eased considerably in recent months. In a February 2012 report the EIA had considered the impacts of a potential loss of almost 700,000 b/d of the Northeast's refining capacity by mid-2012 due to the coincident actual and announced closings of Sunoco's Philadelphia refinery (335,000 b/d), ConocoPhillips' Trainer refinery (185,000 b/d), and Sunoco's Marcus Hook refinery (178,000 b/d) within one year. EIA estimated an additional 420,000 b/d of petroleum products from outside the region would be needed to meet demand if all three refineries shut down. The worst case scenario has not come to pass. Sunoco's Philadelphia refinery and ConocoPhillips' Trainer refinery are now expected to remain in operation. In addition, increased product flows into the region from the Midwest and an increased capacity to bring waterborne products into the product pipelines originating in the Philadelphia area have also eased product supply concerns. EIA now estimates a regional supply gap for ultra-low sulfur diesel (ULSD) to be just 50,000 b/d, with the gasoline gap disappearing almost entirely. Moving about 50,000 b/d of additional ULSD to the Northeast should be well within the capacity of existing infrastructure, the EIA said.

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

### **Flint Hills Says Alkylation Unit Is Operating and Stable after Snag at Its 288,468 b/d Corpus Christi, Texas Refinery July 24**

Flint Hills Resources reported an alkylation unit was in operation and stable at the west plant of its Corpus Christi refinery after an upset Tuesday night, according to a spokeswoman. Operators secured a release originating from a 90-degree elbow weld on the acid flare line of the alkylation unit, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 21:54 July 25, 2012

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=171510>

## Hess to Increase Oil Drilling, Infrastructure Projects in North Dakota's Bakken Shale Play This Year – Executive

Hess Corp. plans to ramp up oil drilling and spend more on infrastructure projects in North Dakota's Bakken shale play this year, an executive said during a recent earnings call. Production from Hess' Bakken properties rose to 55,000 barrels of oil equivalent per day (boe/d) in the second quarter, up from 25,000 boe/d last year, the executive said.

Reuters, 13:11 July 26, 2012

## Natural Gas

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### Williams Partners' Transco Pipeline Announces Open Season for 325 MMcf/d Mobile Bay South III Expansion Project in Southeastern United States

Williams Partners L.P. on Wednesday announced that it is initiating an open season for an expansion of its Transco interstate pipeline to provide firm natural gas transportation capacity to markets in the southeastern United States by the fall of 2014. The Mobile Bay South III Expansion Project is being designed to provide up to 325 MMcf/d of firm transportation service on the Transco Mobile Bay Lateral from the Station 85 4A Pooling Point in Choctaw County, Alabama, to points along the lateral as far south as the interconnection with Bay Gas Storage in Mobile County, Alabama. The final capacity, scope, and cost of the project will be determined by the results of the open season. The proposed project will be subject to approval by the Federal Energy Regulatory Commission and other agencies.

<http://www.williamslp.com/profiles/investor/ResLibraryView.asp?ResLibraryID=55922&BzID=1296&g=345&Nav=0&LangID=1&s=0>

## Other News

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Nothing to report

## International News

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### Rebel Attacks on Oil Infrastructure in Colombia Impact Ecopetrol's Actual and Targeted Production Rates – Executive

Ecopetrol on Wednesday said it was lowering its 2012 oil production target by 2.5 percent to 780,000 boe/d after a series of rebel attacks on oil infrastructure forced the company to restrict production, according to an executive during a call with investors. Security problems have occurred mainly in the Cano Limon fields, the fields in Arauca operated by Occidental, and the fields in the Putumayo, the executive said. The company lost an average of nearly 11,000 b/d in the first half of 2012 from attacks on oil infrastructure by leftist guerrillas. On July 22, the Revolutionary Armed Forces of Colombia (FARC) blew up a section of the 220,000 b/d Cano Limon-Covenas oil pipeline in the north of Boyaca province. Earlier this month, rebels killed five oil contractors in the south.

Reuters, 16:09 July 25, 2012

## Energy Prices

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U.S. Oil and Gas Prices			
July 26, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	89.65	92.62	100.09
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.19	2.84	4.45

Source: Reuters

## 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 and 1:00 PM Eastern Time every Wednesday.

***Natural Gas Weekly Update*** from EIA

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

Updated after 2:00 PM Eastern Time every Thursday.

### **ENERGY ASSURANCE DAILY**

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

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