



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

# ENERGY ASSURANCE DAILY

Thursday Evening, July 29, 2010

## Electricity

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### **Update: In Wake of Weekend Outages, New Storms Cut Power to More Than 46,000 Customers in Maryland July 29**

Storms cut power to about 33,299 Baltimore Gas & Electric (BGE) customers and 13,000 Pepco customers in Maryland on July 29, days after storms knocked out electricity to more than 860,000 customers across the U.S. Northeast and Mid-Atlantic. The 13,000 Pepco customers were in addition to the estimated 7,000 company customers who remained without power from the previous storm. More than 20,000 Pepco customers and 18,328 BGE customers were still in the dark, as of latest reports.

<http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0/>

<http://www.pepco.com/home/emergency/maps/stormcenter/>

[http://www.gazette.net/stories/07292010/montnew150414\\_32550.php](http://www.gazette.net/stories/07292010/montnew150414_32550.php)

[http://www.therepublic.com/view/story/6c42196fe1b347e09083e0c884566dfb/AP-DC--DC\\_Power\\_Outages/](http://www.therepublic.com/view/story/6c42196fe1b347e09083e0c884566dfb/AP-DC--DC_Power_Outages/)

### **Storm Cuts Power to 37,000 DTE Energy Customers in Michigan July 28**

Approximately 5,000 customers remained in the dark, as of July 29.

<http://www.freep.com/article/20100728/NEWS05/100728054/1320/18000-still-without-power-after-storm>

<http://www.annarbor.com/news/scattered-power-outages-remain-in-washtenaw-county-following-thunderstorms/>

### **Update: TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Reduced to 67 Percent by July 29**

Tennessee Valley Authority (TVA) reduced all three units at the Browns Ferry nuclear power plant to 50 percent by July 26, a plant spokesman said, as high heat led to concerns that the facility might violate state rules forbidding downstream river temperatures from surpassing 90 degrees. It was not clear whether the latest reduction at Unit 1 – the unit had returned to 97 percent power by yesterday morning – was related to the same event. Unit 3 ramped up to 95 percent by this morning, from 81 percent yesterday morning, according to the Nuclear Regulatory Commission (NRC). Unit 2 remained at 50 percent power, the NRC reported.

[http://www.decaturdaily.com/detail/65259.html?content\\_source=&category\\_id=&search\\_filter=&event\\_mode=&event\\_ts\\_from=&list\\_type=&order\\_by=&order\\_sort=&content\\_class=&sub\\_type=stories&town\\_id=](http://www.decaturdaily.com/detail/65259.html?content_source=&category_id=&search_filter=&event_mode=&event_ts_from=&list_type=&order_by=&order_sort=&content_class=&sub_type=stories&town_id=)

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

### **Bruce Power Restarts 822 MW Nuclear Unit 6 in Ontario, Canada by July 29**

The unit shut due to a turbine trip on July 28.

Reuters, 08:33 July 29, 2010

### **Update: Xcel to Restart 347 MW Harrington Coal-Fired Unit 1 in Texas July 29 – August 1**

Xcel planned to restart the unit “on or after July 29,” it said in a filing with state regulators. Xcel expected to shut the unit on July 28 – August 1 “for minor maintenance items including tube leak repairs,” according to a previous filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142794>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142797>

## **Update: State PUC Rejects Hawaiian Electric Co.'s Bid to Expand Testing of Smart Meters in Hawaii**

The Hawaii Public Utilities Commission (PUC) rejected Hawaiian Electric Co.'s bid to widen its testing of smart meters in Hawaii, saying the company should first develop a complete plan to improve the electric grid. The company had aimed to deploy 451,000 smart meters throughout the state, and had already installed 9,400 smart meters as part of a pilot rollout. It had sought PUC approval to deploy another 5,000 meters for testing purposes. An official with the state's Division of Consumer Advocacy said his office was worried "ratepayers wouldn't see the benefits of the project." A Hawaiian Electric spokesman, however, referred to the PUC's ruling as "not a big setback," saying the agency just wanted "to see the smart grid roadmap first."

<http://finance.yahoo.com/news/Smart-grid-technology-rollout-apf-2814155862.html?x=0&v=1>

## **Basin Electric Breaks Ground on Planned 300 MW Gas-Fired Deer Creek Station in South Dakota July 27**

The company expects to open the plant in mid-2012.

[http://www.basinelectric.com/News\\_Center/Publications/News\\_Releases/Construction\\_begins\\_on\\_Deer\\_Creek\\_Station.html](http://www.basinelectric.com/News_Center/Publications/News_Releases/Construction_begins_on_Deer_Creek_Station.html)

## **Update: GDF SUEZ Holds Grand Opening for 99 MW Caribou Wind Park in New Brunswick, Canada July 28**

[http://www.suezenergyna.com/press/documents/GDFSUEZCaribouWindPark\\_EN.pdf](http://www.suezenergyna.com/press/documents/GDFSUEZCaribouWindPark_EN.pdf)

## **Arizona Corporation Commission Okays Rule Requiring In-State Utilities to Cut Annual Energy Use by at Least 22 Percent by 2020**

The Arizona Corporation Commission approved rules requiring public utility companies to design Demand Side Management (DSM) programs that are cost effective and promote energy efficiency, load management, or demand response. In-state public utilities will be required to achieve annual energy savings of at least 22 percent, measured in kWh, by 2020. Each utility will be required to file an implementation plan on June 1 of every other year describing how the utility will meet the energy efficiency standard for the next two calendar years. The Commission will review and approve these plans before implementation and then require the utility to file progress reports on their DSM programs by March 1 of each year.

<http://www.azcc.gov/Divisions/Administration/news/100727Energy%20Efficiency.pdf>

## ***Petroleum***

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### **Update: BP Says Gulf Well Remains Shut-in, Pressure Slowly Rising July 29**

The blown-out MC252 well in the Gulf of Mexico remained shut-in on July 29, BP said on its website. Pressure had reached approximately 6,951 psi, and continued to rise slowly. BP expected the Development Driller III – the rig responsible for drilling the relief well – to make a clean out run before it prepared to run casing.

<http://www.bp.com/extendedsectiongenericarticle.do?categoryId=9034427&contentId=7063885>

<http://www.deepwaterhorizonresponse.com/go/doc/2931/832891/>

<http://www.deepwaterhorizonresponse.com/go/doc/2931/832251/>

### **Update: Well Still Leaking Oil into Barataria Bay July 29 – Contractor Expects to Secure Source in about 10-12 Days**

A wellhead continued to leak oil, natural gas, and water into Barataria Bay, and an on-scene contractor expected to secure the source of the spill in about 10-12 days, the U.S. Coast Guard said on July 28. The contractor, Wild Well Control, planned to pump drilling mud into the wellhead to secure the source, and install a new valve over top as a more permanent fix. As a backup, the company is also developing a plan to build a cofferdam around the wellhead. That, in turn, would allow workers to cut off the existing pipeline and install a completely new wellhead. A local councilman cautioned that "the threat in no ways compares to the Horizon incident." He said the abandoned well yielded about 33 b/d, based on numbers from 1994. About 24,000 feet of containment boom and 1,400 feet of sorbent boom had been deployed, as of July 28. More than 150 response personnel and 35 boats were actively responding.

<http://www.d8externalaffairs.com/go/doc/425/832263/>

<http://www.houmatoday.com/article/20100729/FEATURES12/100729179/-1/living?Title=Abandoned-well-in-Barataria-Bay-continues-to-spew>

## **Crews Work to Contain Spill after July 26 Leak along Enbridge's 190,000 b/d, 30-Inch, Indiana-to-Ontario Lakehead System Line 6B**

Enbridge's 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B pipeline remained shut, as of latest reports, days after the line spilled an estimated 19,500 barrels of oil into a creek near the company's Marshall, Michigan pump station. Crews were working to contain the spill, but Michigan Governor Jennifer M. Granholm expressed fears that the oil could reach Lake Michigan. Responders had established 10 boom sites and expected to set up another 10 shortly, Enbridge said on July 28. Governor Granholm activated the State Emergency Operations Center on July 27.

<http://response.enbridgeus.com/response/main.aspx?id=12799>

<http://response.enbridgeus.com/response/main.aspx?id=12823>

<http://www.michigan.gov/gov/0,1607,7-168--241301--,00.html>

<http://www.nytimes.com/2010/07/29/us/29michigan.html?src=mv>

## **Update: After July 28 Fire, Frontier Expects Crude Unit to Remain Offline for about Two Weeks at 52,000 b/d Cheyenne, Wyoming Refinery**

Frontier Oil expects a fire-damaged crude unit to remain offline for about two weeks at its 52,000 b/d Cheyenne, Wyoming refinery, it said on July 28. The company, however, plans to keep the refinery online, according to a spokesman.

<http://investor.shareholder.com/fto/releasedetail.cfm?ReleaseID=493757>

<http://www.businessweek.com/ap/financialnews/D9H89NNG0.htm>

## **Update: Valero to Resume Normal Rates in Late August at 170,000 b/d Benicia, California Refinery**

Valero expects to complete unscheduled coker repairs and return its 170,000 b/d Benicia, California refinery to full rates in late August, company executives said on July 27.

<http://af.reuters.com/article/energyOilNews/idAFWEN780120100727>

<http://online.wsj.com/article/BT-CO-20100728-712432.html>

## **Deepwater Moratorium to Slow Ramp-up at Shell's Planned 100,000 b/d Perdido Field in Gulf of Mexico**

Shell began production in March at its planned 100,000 b/d Perdido field in the Gulf of Mexico, but halted output for maintenance shortly thereafter. The site remains offline, in part, because the government-imposed moratorium on deepwater drilling has prevented the company from tapping certain associated wells. Shell plans to restart production in October 2010 at a lower-than-scheduled rate.

<http://online.wsj.com/article/BT-CO-20100729-714984.html>

## **Salazar Visits Three Shallow-Water Drilling Rigs in Gulf of Mexico, Cites Progress in Implementing Safety Reforms July 28**

Secretary of the Interior Ken Salazar visited three shallow-water offshore drilling rigs in the Gulf of Mexico on July 28, receiving updates on the improved inspection process and additional safety requirements for blowout preventers and well construction. "Today, we saw production activities and shallow water drilling operations that are implementing the new standards as they continue their operations," said Salazar.

<http://www.doi.gov/news/doinews/Secretary-Salazar-Visits-Offshore-Drilling-Rigs-in-Gulf-of-Mexico.cfm>

## ***Natural Gas***

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## **Update: Citing BP Spill and Other Factors, Atlantic Sea Island Group Shelves Plans for 2 Bcf/d LNG Terminal Offshore New Jersey**

Atlantic Sea Island Group withdrew its application to construct a 2 Bcf/d LNG terminal offshore New Jersey. N.J. firm withdraws application to build natural gas terminal off Jersey coast, citing "existing market conditions; the current 'climate' regarding offshore development in the aftermath of the recent Gulf incident; and the prevailing uncertainty with respect to both the U.S. and global economy." The company had expected the terminal, or Safe Harbor Energy, to deliver as much as 2 Bcf/d of natural gas to the New York metropolitan area. It had been slated to receive its first LNG shipment in 2014. The company said it had not completely abandoned the project, but rather suspended it "until the political situation (in the Gulf) is cleared up."

[http://www.nj.com/news/index.ssf/2010/07/nj\\_firm\\_withdraws\\_application.html](http://www.nj.com/news/index.ssf/2010/07/nj_firm_withdraws_application.html)

[http://www.atlanticseaislandgroup.com/project\\_overview.shtml](http://www.atlanticseaislandgroup.com/project_overview.shtml)

## **El Paso's TGP Inks Deals for up to 250,000 Dth/d of Capacity along Natural Gas Pipeline from Marcellus Shale to New England and Niagara**

El Paso Corporation's Tennessee Gas Pipeline (TGP) signed deals with multiple companies for up to 250,000 Dth/d of capacity from the Marcellus Shale region to existing markets in New England and Niagara. The plan, or Northeast Supply Diversification Project, would involve about seven miles of 30-inch pipeline along TGP's existing right-of-way, compressor modifications on the Niagara Spur, and the utilization of existing and off-system capacity. TGP plans to break ground in the first half of 2012 and open the project on November 1, 2012.

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1453378&highlight=>

## **Other News**

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### **Update: Massey Energy Aims to Restart Production within Months at Upper Big Branch Coal Mine in West Virginia**

Massey Energy plans to build a new entrance and restart coal production within months at its Upper Big Branch coal mine in West Virginia, the company's chief executive said on July 28. The mine has been shut since an explosion in April killed 29 workers. The company also seeks approval to resume output at two sections of the mine that were unaffected by the explosion.

<http://www.latimes.com/business/nationworld/wire/sns-ap-us-mine-explosion-reopening.0.2078085.story>

## **Energy Prices**

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<b>U.S. Oil and Gas Prices</b>			
July 29, 2010			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	78.06	78.53	63.34
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.75	4.70	3.49

Source: Reuters

## **Energy Notes**

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### **National Grid Reports 15,476 Customers without Power in New York July 28 - Only 155 Still in the Dark, as of Latest Reports**

<http://www1.nationalgridus.com/niagaramohawk/stormcenter/>

### **Memphis Light, Gas, and Water Reports 11,265 Customers in Tennessee without Power in Tennessee July 28 – Only 61 Still Offline July 29**

<http://azimuth.mlgw.org/OutageSummary.php>

### **Dominion Reports 11,070 Customers without Power in Virginia July 28 – About 600 Remain Down July 29**

<http://www.dom.com/storm-center/dominion-electric-outage-summary.jsp>

### **Constellation Says Lack of Loan Guarantee Jeopardizing Plans for New Nuclear Power Unit at Calvert Cliffs Plant in Maryland - Company Could Cancel Plans if it Does Not Get Authorization for Federal Loan Guarantee by Summer's End**

<http://www.baltimoresun.com/business/bs-bz-constellation-earnings-20100728,0.5646592.story?track=rss>

**Update: Lolo National Forest Overturns Approval to Bury Power Lines along U.S. Forest Service Territory in Montana – Imperial Oil and ExxonMobil Canada Had Sought to Deliver Massive Equipment along Route to Kearl Oil Sands Project in Alberta, Canada**  
[http://missoulian.com/news/local/article\\_2de47b3c-9ac9-11df-91da-001cc4c002e0.html](http://missoulian.com/news/local/article_2de47b3c-9ac9-11df-91da-001cc4c002e0.html)

**NV Energy Receives State PUC Approval for Integrated Resource Plan in Nevada July 28**  
<http://finance.yahoo.com/news/NV-Energy-Integrated-Resource-prnews-1063320015.html?x=0&.v=1>

**Washington, Oregon, Idaho, Montana, Wyoming, Utah, and Nevada Could Retire all 12,900 MW of Coal and Nuclear-Based Power, Replace Output with Wind, Hydro and Geothermal-Based Production by 2050: Civil Society Institute**  
<http://www.civilsocietyinstitute.org/media/072810release.cfm>

**NRC Seeks Public Comment on Proposed Changes to Regulations on Distribution of Uranium and Thorium**  
<http://www.nrc.gov/reading-rm/doc-collections/news/2010/10-132.html>

**NRC Seeks Comments on Draft Environmental Impact Statement for AREVA Enrichment Service's Proposed Uranium Enrichment Plant in Idaho – NRC Staff Expects Project to Have Mostly Small Local Environmental Impact**  
<http://www.nrc.gov/reading-rm/doc-collections/news/2010/10-134.html>

**NRC Amends Regulations on Export and Import of Nuclear Equipment and Material**  
<http://www.nrc.gov/reading-rm/doc-collections/news/2010/10-133.html>

**Update: Alyeska Pipeline Service Co. Says Power Snag and Absence of “Situational Awareness” at Fault for May Spill along 800-Mile trans-Alaska Oil Pipeline System**  
<http://www.google.com/hostednews/ap/article/ALeqM5iPHWIIxvtvsZQTfU7-6lSLuzCK4AD9H8DO981>

**Update: Japanese Oil Tanker Collided with Unknown Object in Strait of Hormuz by July 28, UAE Port Officials Say – Vessel Did not Spill Oil and Strait Was Still Open, as of Latest Reports**

Reuters, 09:36 July 29, 2010

**Compressor Shuts, Restarts at Waha Gas Plant in Texas July 28**  
<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=142865>

**Workers to Repair Valve along BM 08 Natural Gas Pipeline in Texas July 29**  
<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=142854>

**AGL Resources and El Paso Corporation Ink Deal to Distribute LNG across Southeastern United States**  
[http://www.aglresources.com/pressroom/news\\_details.aspx?releaseID=1453338&earn=1](http://www.aglresources.com/pressroom/news_details.aspx?releaseID=1453338&earn=1)

**U.S. Army Corps of Engineers Issues Final Clean Water Act Permit to Coal-Mac Inc. for Pine Creek Surface Coal Mine Project in West Virginia July 27**  
<http://yosemite.epa.gov/opa/admpress.nsf/e77fdd4f5afd88a3852576b3005a604f/47d706666b2e57118525776e00405ad8!OpenDocument>

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## 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](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**

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

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