



# ENERGY ASSURANCE DAILY

Friday Evening, August 01, 2008

## Electricity

---

### **Xcel's 522 MW Prairie Island Nuke Unit 1 in Minnesota Shut July 31**

According to a company representative, the unit was automatically shut July 31 due to unknown reasons and the cause is currently under investigation.

Information also derived from NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Bloomberg News, 12:40 August 1, 2008

### **Duke Energy's 510 MW Moss Landing Gas-fired Unit 2 in California Reduced by July 31**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 260 MW on July 31.

<http://www.caiso.com/unitstatus/data/unitstatus200807311515.html>

### **City of Vernon's 134 MW Malburg Gas-fired Unit in California Returns to Full Service by July 31**

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 100 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200807311515.html>

### **Update: Southern's 830 MW Farley Nuke Unit 1 in Alabama Ramped Up to 98 Percent by August 1**

The unit was shut July 22 due to the loss of two emergency diesel generators that would be used in the event of an off-site power outage. According to the Nuclear Regulatory Commission, the unit was operating at 30 percent on July 31. Information also derived from NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

<http://uk.reuters.com/article/oilRpt/idUKN0129346920080801>

### **Progress Energy Files Application with NRC July 30 to Build Two Nuclear Reactors in Florida**

Progress Energy is asking to build nuclear reactors with a combined capacity of approximately 2,200 MW in Levy County, Florida. The first of the two Levy County reactors, if approved, could be operative by 2016.

<http://www.progress-energy.com/aboutus/news/article.asp?id=19142>

### **Georgia Power to File for Georgia Public Service Commission Approval of Two New Nuclear Reactors in Georgia**

Georgia Power today asked the Georgia Public Service Commission (PSC) for approval of its updated integrated resource plan, including its proposal to build two additional nuclear generating units at the Vogtle Electric Generating Plant, beginning an eight-month approval process. Georgia Power, along with other companies with pending applications is competing for a limited number of tax credits that could amount up to \$125 million per year for eight years.

[http://www.ajc.com/news/content/business/stories/2008/07/31/nuclear\\_utilities.html](http://www.ajc.com/news/content/business/stories/2008/07/31/nuclear_utilities.html)

[http://www.georgiapower.com/news/iframe\\_pressroom.asp](http://www.georgiapower.com/news/iframe_pressroom.asp)

## **Senate Committee on Energy and Natural Resources Holds Hearing on Grid Reliability, FERC Chairman Kelliher and DOE Assistant Secretary Kolevar both Testify**

The Senate Committee on Energy and Natural Resources held its final hearing prior to summer recess July 31 to conduct oversight on the state of the nation's transmission grid, as well as the implementation of the 2005 Energy Policy Act transmission provisions, including reliability, siting and infrastructure investment. FERC (Federal Energy Regulatory Commission) Chairman Kelliher called for Congress to give his agency additional authority to site national transmission grid lines across the U.S. as the country faces severe congestion in coming years. DOE/OE Assistant Secretary Kolevar spoke of National Corridor designations and how the Mid-Atlantic Area National Corridor as well as the Southwest Area National Corridor transmission systems are not keeping pace with electricity requirements. Assistant Secretary Kolevar's Testimony may be found on the Committee's website: [http://energy.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=47a1fb84-092f-0850-e166-77583cd62546](http://energy.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=47a1fb84-092f-0850-e166-77583cd62546)  
<http://www.platts.com/Electric%20Power/News/6930685.xml?p=Electric%20Power/News&sub=Electric%20Power>

## **Two New Scientific Papers Show Progress in Energy Storage**

Two new scientific papers published in the magazine Science show progress in materials science and chemistry that could cut the cost of storing intermittent sources of energy, such as solar and wind, into reliable replacements for coal and natural gas. The paper from the Massachusetts Institute of Technology (MIT) research team examines how to convert electricity into hydrogen for storage and then convert the hydrogen back to electricity when needed. [http://www.nytimes.com/2008/08/01/us/01hydrogen.html?\\_r=2&ref=todayspaper&oref=slogin&oref=slogin](http://www.nytimes.com/2008/08/01/us/01hydrogen.html?_r=2&ref=todayspaper&oref=slogin&oref=slogin)  
<http://ap.google.com/article/ALeqM5hU4psa0yJEFrxFZFDs0EQZFqa5vQD92900K80>  
<http://www.sciencemag.org/cgi/content/summary/sci;321/5889/620>

## ***Petroleum***

---

### **BP Reduces FCC Rates at its 475,000 b/d Texas City, Texas Refinery July 31**

BP reduced rates at its fluid catalytic cracking (FCC) Unit 1 at their Texas City refinery after an electrostatic precipitator stack (ESP) tripped, causing flaring.  
OPIS Alert, 10:52 August 1, 2008

### **Flaring Reported at ConocoPhillips's 139,000 b/d Carson, California Refinery due to Power Disruption July 31**

According to a company representative, a minor upset was reported at the Carson refinery due to a partial power disruption. Flaring was reported as a result of the upset.

Reuters, 16:11 July 31, 2008

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/1269f95acaf4126088257497005dd623?OpenDocument>

### **StatoilHydro Begins Production from Vilje Oilfield Offshore Norway August 1**

With production to hit 35,000 b/d by the end of August, StatoilHydro began production on the first flow of oil August 1 from Vilje's estimated recoverable reserves of 52 million barrels of oil.  
Bloomberg News, 02:41 August 1, 2008

### **Murphy Oil's 120,000 b/d Meraux, Louisiana Refinery and 35,000 b/d Superior, Wisconsin Refinery Both Running Below Capacity**

According to a Murphy company representative, its Meraux refinery is operating profitably at 112,000 b/d and remains within the plant's operating range whereas its Superior refinery was running at 26,000 b/d. The company reports that asphalt prices have lagged behind the increased prices of crude, therefore reducing rates at its Superior refinery.

<http://in.reuters.com/article/oilRpt/idINN3150246120080731?sp=true>

## Natural Gas

---

### **Gill Ranch Storage Files Application with California Public Utilities Commission to Own and Operate 20 Bcf Underground Natural Gas Storage Facility in California**

Gill Ranch Storage, a subsidiary of Northwest Natural Gas Company, filed an application for a Certificate of Public Convenience and Necessity July 29 with the California Public Utilities Commission requesting authorization to construct and operate a 20 Bcf underground natural gas storage facility. The project site is located about 25 miles west of Fresno in California and includes a 27-mile, 30-inch natural gas transmission pipeline.

<http://www.gillranchstorage.com/GRs073008.pdf>

## Other News

---

### **Two Potential Sites for Spent Nuclear Fuel Storage Under Consideration, Nuclear Energy Institute Senior Director Says**

According to a senior director at the Nuclear Energy Institute, two rural communities in the United States to remain unnamed have expressed interest in exploring the possibility of becoming the site of a commercial interim storage facility for spent nuclear fuel. The fuel would be stored at the interim facilities until it could be moved to the planned Yucca Mountain, Nevada site for permanent disposal. After the Department of Energy failed to begin disposing of the spent nuclear fuel by a 1998 contract date, over 50,000 metric tons of spent nuclear fuel await removal in storage pools or casks at the country's many licensed reactors. The potential sites remain unnamed but it is noted that they are in rural areas of states that already have nuclear power plants or nuclear businesses.

<http://www.platts.com/Nuclear/News/6930013.xml?sub=Nuclear&p=Nuclear/News&?undefined&undefined>

## Energy Prices

---

<b>U.S. Oil and Gas Prices</b>			
August 1, 2008			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	125.77	122.59	76.35
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	9.26	9.34	6.19

Source: Reuters

## Energy Notes

---

### **Severe Thunderstorms Knock out Power to 11,237 Duke Energy Customers in North Carolina July 31**

As of 06:00 PM EDT July 31, 2008:

<http://www.duke-energy.com/outages/map/default.htm>

### **EPA Approves Air Permit for Proposed 1,500 MW Coal-fired Desert Rock Energy Center to be Built on Navajo Nation in New Mexico**

<http://yosemite.epa.gov/opa/admpress.nsf/d0cf6618525a9efb85257359003fb69d/8331e0972492f17c85257497005a37fb!OpenDocument>

**Expert Panel Deems Entergy’s Indian Point Nuclear Plant in New York is Safe, Community Relations and Overall Appearance both Need Improvement**

<http://www.platts.com/Nuclear/News/6930518.xml?p=Nuclear/News&sub=Nuclear>

**Central Vermont Public Service Announces New “Smart” Grid Plans – Enhanced Electricity Metering, Improved Storm Recovery and Efficiency Technology on Horizon**

<http://www.streetinsider.com/Press+Releases/State.+CVPS+announce+new+%3Bsmart%3B+grid+plans/3868684.html>

**Recent Polls Show Majority of Californians Support Additional Offshore Drilling, Majority of Floridians also Support Lifting Offshore Drilling Ban**

Reuters, 18:24 July 31, 2008

<http://www.bradenton.com/local/story/777933.html>

**Nigerian Government Pledges to Invest \$25 Billion in Oil-producing Niger Delta if Militants Halt Disruptive Violence Campaign**

<http://www.platts.com/Oil/News/8923901.xml?p=Oil/News&sub=Oil>

**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**

*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/index.aspx>.

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)