



ENERGY ASSURANCE DAILY

Friday Evening, August 02, 2013

Electricity

Eastern Interconnection Grid Planning Authorities Issue Request for Proposals on Gas-Electric System Interface Study

The participating planning authorities of the Eastern Interconnection Planning Collaborative (EIPC): ISO New England, New York ISO, Ontario's Independent Electric System Operator, Midcontinent ISO, PJM Interconnection, and the Tennessee Valley Authority, have issued a request for proposal to conduct a Gas-Electric System Interface Study covering their combined footprints. The study will analyze the natural gas infrastructure serving a large portion of the Eastern Interconnection. The study, which is to be completed by mid-2015, will be funded under an existing Department of Energy grant and will develop a baseline of the electric and natural gas systems, including their planning, operation and interactions. In addition, the study will look at the adequacy of the gas system to satisfy generation needs over five and 10-year horizons; identify contingencies on the gas and electric systems that could negatively affect the other; and examine the pros and cons of dual-fuel capability for generation versus expanding gas system infrastructure. The proposals are due August 30, 2013.

http://www.eipconline.com/uploads/EIPC_RFP_Announcement_8-02-13.pdf

Duke Energy to Halt Plan to Build New Florida Nuclear Reactors in Settlement Deal August 1

Duke Energy Corp. will halt plans to build a new nuclear plant in Florida and seek to recover as much as \$1.47 billion in costs under a settlement with regulatory staff. In 2008, Duke Energy Florida announced plans to construct two 1,100 MW nuclear units in Levy County, Florida. Duke Energy's engineering, procurement and construction (EPC) agreement was based on the ability to obtain the Nuclear Regulatory Commission's (NRC) combined construction and operating license (COL) by January 1, 2014. As a result of delays by the NRC in issuing COLs for new nuclear plants, as well as increased uncertainty in cost recovery caused by recent legislative changes in Florida, Duke Energy announced it will be terminating the EPC agreement for the proposed Levy nuclear project.

<http://www.duke-energy.com/news/releases/2013080101.asp>

NRG Completes Repowering and Modernization Project at 550 MW Natural Gas-fired El Segundo Energy Center in California August 2

NRG Energy, Inc. has entered commercial operation at its El Segundo Energy Center, a natural gas-fueled, combined-cycle generating facility located near Los Angeles, California. The plant produces 550 MW of efficient and flexible electricity to the California grid. The fast-start, rapid response power generation employed by El Segundo delivers more than half of its generating capacity in less than 10 minutes and the balance in less than 1 hour; allowing it to back up and enable greater use of intermittent renewable technology. The El Segundo Energy Center project aided in the retirement of a less efficient, 335 MW steam boiler unit constructed in 1964 that relied on ocean water for cooling. Through a 10-year power purchase agreement, Southern California Edison will obtain the entire output of the facility.

http://phx.corporate-ir.net/phoenix.zhtml?c=121544&p=irol-newsArticle_Print&ID=1844110&highlight

Power Interruption Briefly Leaves 24,153 SCE Customers Without Power in San Jacinto, California August 1

A brief power outage Thursday afternoon affected 24,153 customers in San Jacinto, California and left 802 customers without power for about two hours, Southern California Edison (SCE) and San Jacinto city officials said. Later Thursday afternoon, most power had been restored. Officials did not provide any information on the cause.

<http://blog.pe.com/2013/08/01/san-jacinto-blackout-strikes-24153-homes-businesses/>

PSEG's 1,049 MW Hope Creek Nuclear Unit 1 in New Jersey Reduced to 76 Percent Due to Pump Malfunction by August 2

On the morning of August 1 Public Service Enterprise Group, Inc.'s (PSEG's) Hope Creek unit was operating at full power before a circulating water pump tripped overnight, triggering a power reduction, according to the Nuclear Regulatory Commission.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Reuters, 8:27 August 2, 2013

Update: Entergy's 1,006 MW Indian Point Nuclear Unit 3 in New York Restarts August 1, Ramps Up to Full Power by August 2

By the morning of August 1 the unit had restarted and was operating at 1 percent after being shut on July 29 to troubleshoot a problem with one of four valves that control the flow of water into steam generators, according to the Nuclear Regulatory Commission.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Petroleum

Marathon Reports FCCU Upset at Its 451,000 b/d Galveston Bay, Texas Refinery August 1

Marathon Petroleum Corp. reported that a fluidic catalytic cracking unit (FCCU) experienced an upset at its Galveston Bay refinery in Texas City, Texas, according to a filing with the Texas Commission on Environmental Quality. The FCCU No. 3 had an upset as a blower tripped. Operations stabilized the unit and it is in the process of resuming operations.

Reuters, 14:07 August 1, 2013

Enterprise Shuts Segment of Mid-America NGL Pipeline in Minnesota After Small Propane Leak August 2

Enterprise Products Partners, L.P. shut part of the 7,923 mile long Mid-America natural gas liquids pipeline system in Minnesota due to a small leak of about 10 gallons of propane, a spokesman for the company said on Friday. The leak has been stopped and the pipeline is expected to re-open soon.

Reuters, 9:04 August 2, 2013

Magellan Midstream Sees 'High Probability' of Expanding Its Longhorn Pipeline in Texas; Holding Open Season for 75,000 b/d Diesel and Jet Fuel Pipeline in Arkansas Later in Third Quarter

Magellan Midstream Partners, L.P. announced on Thursday a "high probability" of expanding its Longhorn crude oil pipeline, which is ramping up volumes of West Texas crude shipped to Houston-area refineries. The pipeline, which began shipping crude oil in April, was expected to move about 120,000 b/d in the third quarter, ramping up to its full 225,000 b/d capacity in September. The company expects to launch an open season later in the third quarter to gauge shipper interest in a new diesel and jet fuel pipeline in Arkansas that would move up to 75,000 b/d from Magellan's Forth Smith network to its terminal in Little Rock, Magellan's chief executive said.

<http://www.reuters.com/article/2013/08/01/magellan-longhorn-crude-idUSL1N0G21P920130801?feedType=RSS&feedName=marketsNews&rpc=43>
<http://www.magellanlp.com/magellannews.aspx?id=2147483841>

Buckeye to Build New 1.1 MMb Crude Oil Storage in U.S. Midwest

Buckeye Partners, L.P. announced it would construct a 1.1 million barrel (MMb) crude oil storage facility for a U.S. Midwest refiner, which would be complete in mid-2014, at the pipeline company's Chicago complex. Buckeye also said it signed a long-term agreement to facilitate the distribution of crude oil from the Bakken formation as well as West Canadian oil fields through storage, throughput, and loading services on railcars that can travel to refineries in the U.S. East, West, and Gulf Coasts.

<http://www.buckeye.com/LinkClick.aspx?fileticket=Z9NIEstWd4E%3d&tabid=36>

Reuters, 10:28 August 2, 2013

Natural Gas

Southern Union Reports Flaring at Its 140 MMcf/d Keystone Gas Plant in Texas July 31

Southern Union reported that its Keystone gas plant flared low pressure inlet gas when unit c20 went down on high vibration and the flywheel would not roll over. The inlet gas has started backing out from the plant.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=186235>

Other News

Nothing to report.

International News

Update: Libyan Officials See Progress Towards Ending Oil Protests; Resolution Could Come Saturday

Libyan officials reported progress with protestors seeking jobs, who have forced oil facilities to cut Libya's oil exports to less than half of normal rates. An agreement with the protestors could be reached as early as Saturday, according to Libyan officials. On Wednesday, armed security guards shut down the export ports of Es Sider, Ras Lanuf, Marsa al-Brega, and Marsa al-Hariga leaving only Zawiyah port open. According to industry sources, exports have been cut to about 425,000 b/d from 1 million b/d.

Reuters, 13:02 August 2, 2013

Energy Prices

U.S. Oil and Gas Prices			
August 2, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	106.79	104.56	87.75
NATURAL GAS Henry Hub \$/Million Btu	3.44	3.68	3.20

Source: Reuters

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 ET every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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

Please direct comments and questions to: ead@oe.netl.doe.gov