



ENERGY ASSURANCE DAILY

Friday Evening, August 28, 2009

Electricity

Fire-fighting Helicopter Hits Transmission Line, Cuts Power to about 33,000 PG&E Customers in California August 27—Wildfire Burns 5,000 Acres by August 28

A helicopter struck a transmission line as it fought wildfires in Monterey, California, cutting power to about 33,000 Pacific Gas & Electric (PG&E) customers on August 27, a news source said. The wildfire continued to burn, but the utility restored service to nearly all affected customers by this morning, based on multiple sources. The fire began at approximately 3 PM on August 27, and had burned across 5,000 acres by August 28, a news source said. It was only 15 percent controlled, as of this morning. Officials said agricultural fireworks—devices used to keep birds away from crops—were to blame for the blaze. Governor Schwarzenegger declared a state of emergency for Monterey County today.

<http://www.ksbw.com/news/20600124/detail.html>

http://www.montereyherald.com/ci_13221838?nclick_check=1

<http://www.thecalifornian.com/apps/pbcs.dll/article?AID=/20090828/NEWS01/908280323>

http://www.kionrightnow.com/Global/story.asp?S=11005017&nav=menu1591_1

<http://www.pge.com/myhome/customerservice/energystatus/outagemap/>

<http://hollisterfreelance.com/news/258843-updated-outage-caused-by-calfire-helicopter-hitting-lines>

Substation Fire Cuts Electricity to 30,000 BC Hydro Customers in British Columbia, Canada August 28

An "errant bird" triggered a small fire at the Cedar Street hydro substation, cutting electricity to 30,000 BC Hydro customers on August 28, a news source reported. The company restored all affected customers later in the afternoon.

http://www.bclocalnews.com/fraser_valley/missioncityrecord/news/55819607.html

Entergy's 979 MW Indian Point Nuke Unit 3 in New York Shut August 27

The unit shut automatically due to a pipe leak, Entergy said. The company expected to restart the unit in a couple of days, according to a spokesman. The Nuclear Regulatory Commission reported that on the morning of August 27 the unit was operating at full power.

Reuters, 11:23 August 28, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Cabrillo Power I, LLC's 330 MW Encina Gas-fired Unit 5 in California Shut by August 27

According to the California Independent System Operator, the unit reported an unplanned outage by August 27.

<http://www.caiso.com/unitstatus/data/unitstatus200908271515.html>

Update: Progress Energy's 834 MW Crystal River Nuke Unit 3 in Florida at Full Power by August 28

Progress shut the unit when a control rod entered the core on August 24, a spokeswoman said earlier. The Nuclear Regulatory Commission reported that on the morning of August 27 the unit was operating at 15 percent.

Reuters, 08:16 August 28, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Luminant Plans Restart of 593 MW Monticello Coal-fired Unit 2 in Texas August 27-28

Luminant planned to restart its 593 MW Monticello coal-fired unit 2 in Texas from August 27-28, it said in a filing with state regulators. The unit tripped offline “due to a loss of a 480-Volt power control system fuse in the power center” on August 27, the company said in a separate filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=128735>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=128734>

AEP to Shut 558 MW Welsh Coal-fired Unit 1 in Texas August 28

American Electric Power (AEP) planned to shut its 558 MW Welsh coal-fired unit 1 in Texas for work on auxiliary equipment, the company said in a filing with state regulators. The filing indicated the shutdown would last until September 1.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=127409>

Petroleum

Fire Forces Shut 22,000 b/d Reformer at Frontier Oil’s 130,000 b/d El Dorado, Kansas Refinery August 27

A flange fire forced shut a 22,000 b/d gasoline reformer at Frontier Oil’s 130,000 b/d El Dorado, Kansas refinery on August 27, the company said today. The unit could return to service within one week, according to a spokeswoman. Reuters, 09:59 August 28, 2009

Coker Offline at Valero’s 144,000 b/d Benicia, California Refinery by August 27

A coker unit was offline for repairs at Valero’s 144,000 b/d Benicia, California refinery, the company said on August 27. A source did not say when the unit might return to service.

<http://online.wsj.com/article/BT-CO-20090828-707959.html>

Marathon Closes Alkylation Unit due to Leak at 76,000 b/d Texas City, Texas Refinery August 27

A leak burned one worker and forced Marathon to shut an alkylation unit at its 76,000 b/d Texas City, Texas refinery on August 27, a spokeswoman said. The company began returning the unit to service by today, according to the spokeswoman. The incident lasted less than an hour and did not impact refinery operations, she said. Bloomberg News, 11:03 August 28, 2009

Update: Chevron Returns 245,271 b/d Richmond, California Refinery to Normal Operations by August 27

Chevron completed repairs to an unspecified unit and returned its 245,271 b/d Richmond, California refinery to normal operations by August 27, a company spokesman said. Trade sources identified the unit, shut since last week, as a gasoline-and-diesel-producing hydrocracker.

<http://www.reuters.com/article/rbssEnergyNews/idUSN2732962320090827>

Enbridge Eyes November 2009 Start Date for 20-inch, Illinois-to-Alberta, Canada Southern Lights Project Oil Product Pipeline

The 20-inch line will, in conjunction with a recently-opened, southbound line, deliver a refinery product called “diluent” northbound, from Illinois to Alberta, Canada. Enbridge will, according to plan, transport Canadian crude to Illinois along its now-opened, 42-inch, 400,000 b/d Lakehead oil pipeline. Those refineries will, in turn, process the oil and ship the resulting “diluent” back to Canada. There, Enbridge will blend the product with heavy, oil-sands crude for delivery down to Illinois. Without the diluent, or some form of refining, the oil-sands crude would be undeliverable via pipeline.

<http://mywebtimes.com/archives/ottawa/display.php?id=386484>

Natural Gas

Nothing to report.

Other News

Denbury Resources Plans 800 MMcf/d, 24-inch, 320-mile CO2 Pipeline in Texas

Denbury Resources plans to deliver as much as 800 million cubic feet per day (MMcf/d) of carbon dioxide (CO2) 320 miles, from Donaldsonville to the Hastings oilfield in Texas, a news source said. The company expects to inject the CO2 into aging oil deposits to help extract otherwise un-recoverable reserves. The CO2 could, according to plans, be kept underground indefinitely. Denbury plans to open the line's first phase by late 2009, and its second segment in 2010.

http://www.rigzone.com/news/article.asp?a_id=79767

Energy Prices

U.S. Oil and Gas Prices			
August 28, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	72.38	73.52	115.72
NATURAL GAS Henry Hub \$/Million Btu	2.76	3.03	8.54

Source: Reuters

Energy Notes

Update: Northwest Renewable Shelves Proposal for Ethanol Plant in Washington State, Instead Plans to Construct 24 MW Biomass-fired Power Plant

http://www.tdn.com/articles/2009/08/28/area_news/doc4a976158812ae337015386.txt

Plasco Plans 24 MW Waste-to-Energy Facility in Ottawa, Canada

<http://www.theglobeandmail.com/report-on-business/small-business/next-big-thing/garbage-in-energy-out/article1260457/>

Tennessee to Release Electric Cars in Late 2010, Early 2011—State also Plans to Build About 2,500 Charging Stations, or Enough to Support 1,000 Cars

<http://dailybeacon.utk.edu/showarticle.php?articleid=55330>

Price George Interior Waste to Energy Plans 8 MW Bioenergy Facility in British Columbia, Canada

<http://www.princegeorgecitizen.com/20090827210086/local/news/area-projects-moving-forward.html>

Chevron Restarts Eight Cook Inlet Oil Platforms in Alaska, or about 3,000 b/d of Production--Company Had Been Producing Approximately 12,000 b/d Prior to Mount Redoubt Volcanic Eruptions in April 2009

http://www.alaskajournal.com/stories/082809/oil_10_002.shtml

Empty 59,000 Tonnes "Elli" Oil Tanker Breaks in Two, Sinks near Egyptian Suez Canal August 28—Ship Spills its Own Fuel Supply, Estimated at 60 Tonnes

<http://www.reuters.com/article/latestCrisis/idUSLS148127>

http://www.news24.com/Content/Africa/News/965/cf93c84ce1a54192bd28864de65fee62/28-08-2009-08-03/Oil_tanker_breaks_in_two

Mexican Oil Production to Average 2.5 Million b/d in 2010, or Four Percent Lower than First Half of 2009—Mexico's Energy Secretary

http://www.ogj.com/index/article-display/8346546401/s-articles/s-oil-gas-journal/s-drilling-production-2/s-2009/s-08/s-minister-sees_4_decline.html

U.S. Army Corps of Engineers Rejects TEPPCO Plan for Fuel Storage Facility to Hold Nearly-14 Million Gallons along Tennessee River in Alabama

Corps Says Pipes would have Stretched into Navigable Segment of River

http://www.waterworld.com/index/display/news_display/s-134661190.html

Update: FERC Okays Southern Natural Gas Pipeline's Proposed 375,000 Dth/d Natural Gas Pipeline System Expansion in Georgia—New Capacity would Supply Georgia Power's Planned Expansion at Jack McDonough Power Plant

<http://intelligencepress.com/>

Arlington Storage Co. Receives FERC Approval to Begin Operations at Thomas Corners Natural Gas Storage Field in New York

<http://intelligencepress.com/>

Natural Gas Producers Must Improve Efficiency as Lagging Field Costs Likely to Rise—Schlumberger President

http://www.ogj.com/index/article-display/1064414144/s-articles/s-oil-gas-journal/s-drilling-production-2/s-2009/s-08/s-nape_-drastic_improvements.html

**Colorado Natural Rig Count Drops from 2008 Peak of 140 to Approximately 40
Rocky Mountain Production Begins to Drop, nearly One Year after Companies Began Shutting Rigs**

http://www.ogj.com/index/article-display/4573856680/s-articles/s-oil-gas-journal/s-drilling-production-2/s-2009/s-08/s-rockies-gas_output.html

U.S. Mid-South Could Use Switchgrass, other Crops to Generate 4.7 Billion Gallons/Year of Ethanol—Memphis Bioworks Foundation Study

<http://www.istockanalyst.com/article/viewiStockNews/articleid/3441836>

Two-Thirds of U.S. Biodiesel Production Offline, National Biodiesel Board Says—Economic Conditions, Lower Oil Prices Take Toll on Industry, According to News Source

http://www.downstreamtoday.com/news/article.aspx?a_id=17916

Update: Dakota Minnesota & Eastern Railroad Corp. has not Canceled Plans to Transport Coal from Wyoming through South Dakota and Minnesota, Company Spokesman Says

<http://cbs4denver.com/wireapnews/wy/Railroad.drops.Wyo.2.1147855.html>

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

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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