



ENERGY ASSURANCE DAILY

Thursday Evening, September 13, 2012

Electricity

Update: SCE to File Restart Plan in October for Its 1,070 MW San Onofre Unit 2 in California – NRC

Edison International will file a proposed plan with the U.S. Nuclear Regulatory Commission (NRC) in early October to seek permission to restart its San Onofre Unit 2 reactor, NRC Chairman Allison Macfarlane said Wednesday. Both units at the 2,150 MW San Onofre Nuclear Generating Station in California, which is operated by Edison's Southern California Edison (SCE) utility, have been shut since January, when operators discovered premature tube wear in the steam generators. San Onofre's Unit 3 reactor, which has more tube damage, may be shut for some time, Macfarlane said.

<http://www.bloomberg.com/news/2012-09-12/edison-to-file-restart-plan-for-san-onofre-unit-in-october-3-.html?cmpid=yhoo>

Consumers Energy Reports Record Energy Use in Michigan This Summer

Consumers Energy on Wednesday announced its 1.8 million electric customers used more energy this summer than at any time in the company's 125-year history. The utility said Michigan's rebounding economy and high temperatures drove customer power demand to several new all-time records, including the highest hourly customer demand peak (9,006 MW) on July 17 and the highest electric send-out for any month (4.6 million MWh) in July. 6.8 million of Michigan's 10 million residents in all 68 Lower Peninsula counties.

<http://www.consumersenergy.com/News.aspx?id=5733&year=2012>

Update: Dynegy's 335 MW El Segundo Natural Gas-Fired Unit 4 in California Returns to Service by September 12

The unit returned from an unplanned outage that began by September 11.

<http://content.caiso.com/unitstatus/data/unitstatus201209121515.html>

Calpine's 135 MW Gilroy Natural Gas-Fired Unit in California Shut by September 12

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201209121515.html>

Update: Calpine's 135 MW Calpine American Natural Gas-Fired Unit in California Returns to Service by September 12

The unit returned from an unplanned outage that began by September 11.

<http://content.caiso.com/unitstatus/data/unitstatus201209121515.html>

GenOn's 130 MW Mandalay Natural Gas-Fired Unit 3 in California Returns to Service by September 12

The unit returned from an unplanned outage that began by September 11. Prior to the unplanned outage, the unit had been curtailed by 80 MW since September 9 due to unplanned causes.

<http://content.caiso.com/unitstatus/data/unitstatus201209121515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201209091515.html>

Coal-Fired Generation Will Increase by 9.3 Percent Next Year on Higher Natural Gas Prices – Energy Information Administration

<http://www.chicagotribune.com/business/sns-rt-us-usa-coal-emissionsbre88b1im-20120912,0,3348050.story>

http://www.eia.gov/forecasts/steo/pdf/steo_full.pdf

Update: Summit Power Secures Financing and Construction Agreements for Its Planned 400 MW IGCC Coal-Fired Texas Clean Energy Project

Summit Power Group on Wednesday announced it has signed a memorandum of understanding with representatives of Sinopec Engineering Group and the Export-Import Bank of China to help assure the financing and construction of the Texas Clean Energy Project (TCEP), a 400 MW integrated gasification combined cycle (IGCC) coal-fired facility Summit Power is building just west of Midland-Odessa. TCEP has already obtained all the permits and contracts needed to allow financing and construction of the plant. Financial closing and start of construction for the project are now targeted for the end of 2012 and the beginning of 2013, respectively. From the start of construction, the project will require 3–4 years to be built, commissioned, and achieve commercial operation.

<http://www.summitpower.com/wp-content/uploads/2012/09/San-Antonio-Event-Press-Release-FINAL-3-1-9-12-12-2.pdf>

California Energy Commission Approves Construction of Apex Power Group's Planned 300 MW Natural Gas-Fired Pio Pico Energy Center in California

The California Energy Commission on Wednesday approved construction of Apex Power Group's 300 MW natural gas-fired Pio Pico Energy Center in San Diego County. Construction is planned to begin during the first quarter of 2013, with commercial operation expected by May 2014.

Reuters, 10:33 September 13

<http://www.energy.ca.gov/2012publications/CEC-800-2012-003/CEC-800-2012-003-PMPD.pdf>

Petroleum

Update: Valero's 270,000 b/d Norco, Louisiana Refinery Operating at Planned Rates by September 13

Valero Energy Corp. on Thursday said its Norco, Louisiana refinery was operating at planned rates. Operators shut the refinery by August 28 ahead of Hurricane Isaac's landfall, and they began restarting units by September 5.

Reuters, 10:11 September 13, 2012

Update: Valero Says All Main Production Units Except CDU Are Operating at Its 120,000 b/d Meraux, Louisiana Refinery by September 13

Valero Energy Corp. on Thursday reported all main production units at its Meraux, Louisiana refinery were operating, with the exception of a crude distillation unit (CDU). Operators shut the refinery by August 28 ahead of Hurricane Isaac's landfall, and they began restarting units by September 5. The CDU has been shut since a July 22 fire.

Reuters, 10:12 September 13, 2012

Coker Unit Upset Causes Hydrogen Sulfide Release at Marathon's 490,000 b/d Garyville, Louisiana Refinery September 11

Marathon Petroleum Corp. reported a leaky flange on a coker unit at its Garyville refinery released hydrogen sulfide Tuesday afternoon, according to a filing with the U.S. National Response Center.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1024107

Alon Reduces Charge to FCCU to Conduct Maintenance on Wet Gas Compressor at Its 67,000 b/d Big Spring, Texas Refinery September 13

Alon USA Energy on Thursday reported it was reducing charge to the fluid catalytic cracking unit (FCCU) at its Big Spring refinery to conduct maintenance on the wet gas compressor, according to a filing with the Texas Commission on Environmental Quality. The filing lists the FCCU and wet gas compressor as sources of emissions.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=173426>

RTO Unit Shutdown Causes Emissions at Phillips 66's 247,000 b/d Sweeny, Texas Refinery September 11

Phillips 66 reported a regenerative thermal oxidizer (RTO) at its Sweeny refinery shut down Tuesday night due to high exhaust temperature, according to a filing with the Texas Commission on Environmental Quality. The RTO controls hydrocarbon vapors both from the wastewater treatment plant aeration tank 69 and from the truck and railcar loading area of the facility. All railcar and truck loadings that require vapor recovery controls will be discontinued for the duration of the shutdown period, which is expected to last until Thursday night, the filing said.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=173419>

Unspecified Process Unit Upset Causes Sulfur Dioxide Release at BP's 225,000 B/D Cherry Point, Washington Refinery September 12

BP Plc reported a sulfur dioxide release at its Cherry Point refinery overnight Wednesday was due to an unspecified process unit upset, according to a filing with the U.S. National Response Center.

http://www.nrc.uscg.mil/reports/rwervlet?standard_web+inc_seq=1024159

Shell Restarts Unspecified Unit at Its 100,000 b/d Scotford, Alberta Refinery September 12

Royal Dutch Shell Plc said it was restarting an unspecified unit at its Scotford refinery on Wednesday, according to a notice on a community information line. Intermittent flaring related the startup was likely over the next 24 hours, the filing said. Operators didn't expect the activity to cause any material impact to production.

Reuters, 19:44 September 12, 2012

Natural Gas

Valve Snag Leads to Flaring at Eagle Rock's 80 MMcf/d Phoenix-Arrington Ranch Gas Plant in Texas September 12

Eagle Rock Field Services LP reported it was briefly flaring inlet low-pressure gas at its Phoenix-Arrington plant Wednesday morning due to pressure relief valve snag, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=173411>

Enterprises Reports Flaring Due to an Unspecified Overpressure Incident at Its Mont Belvieu Natural Gas Liquids Complex in Texas September 12

Enterprise Product Partners reported operators opened a pressure relief valve to the flare to mitigate an unspecified "overpressure incident" at its West Texas fractionation unit Wednesday morning, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=173424>

Other News

Nothing to report.

International News

Update: Brazilian Appeals Court Upholds Ban on Chevron, Transocean Operations until Investigations into Two Offshore Oil Spills Are Complete

Brazil's top appeals court on Wednesday upheld an injunction that bans Chevron Corp. and driller Transocean Ltd. from operating in the country until investigations into two oil spills off the coast of Rio de Janeiro are completed. In November an incident at the Chevron-operated Frade offshore oilfield caused 3,700 barrels of crude to seep from cracks in the seabed. A similar spill in the Frade field occurred again in March, and Chevron has voluntarily suspended operations there since then as a precaution. Late last month, a Brazilian court suspended all the companies' petroleum drilling and transportation operations in the country. Brazil's National Petroleum Agency later appealed the ban, citing potential safety problems and great economic harm, but the Superior Court of Justice on Wednesday upheld the order. Chevron's developing the Frade and Papa-Terra deepwater fields offshore Brazil. During 2011, total daily production averaged 71,000 barrels of crude oil and 28 million cubic feet of natural gas. Transocean operates about 10 drilling platforms in Brazil for Chevron, Petrobras, and other oil and gas producers. Both companies have said they will seek legal means to overturn the injunction.

http://www.kimt.com/news/world/story/Brazilian-court-upholds-Chevron-suspension/P_bs_vE9A0ib1THBu0GpbA.csp

http://www.rigzone.com/news/oil_gas/a/120655/Brazil_Court_Denies_Request_to_Block_Injunction_against_Transocean_Chevron

Energy Prices

U.S. Oil and Gas Prices			
September 13, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	98.27	96.81	88.19
NATURAL GAS Henry Hub \$/Million Btu	2.96	2.87	3.92

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 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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