



ENERGY ASSURANCE DAILY

Friday Evening, September 16, 2011

Electricity

Update: TVA Selects Contractor to Help Complete its 1,256 MW Bellefonte Nuclear Power Plant in Jackson County, Alabama by 2020

The Tennessee Valley Authority (TVA) selected Areva to complete its 1,256 MW Bellefonte nuclear plant in Jackson County, Alabama. Work on the plant began in 1974 but was halted in the late 1980s. Work on the nuclear plant, which is now about 55 percent complete, is expected to be finished by 2020.

<http://us.aveva.com/>

http://www.volunteertv.com/state/headlines/French_company_to_help_complete_Bellefonte_plant_129907983.html

NRC Decision Allows Review Process to Move Forward for 20-Year Extension of NextEra Energy's 1,295 MW Seabrook Nuclear Plant in New Hampshire, September 9

Following the earthquake and tsunami that destroyed the Fukushima Daiichi Nuclear Power Station in Japan, the Nuclear Regulatory Commission (NRC) received petitions requesting that it suspend the license renewal activities for NextEra Energy's Seabrook power plant and other nuclear plants in the United States. On September 9, the NRC rejected requests to suspend decisions related to the nation's nuclear power plant license renewal applications procedures, and the license renewal process for NextEra Energy's 1,295 MW Seabrook Nuclear Plant is expected to move forward. NextEra is seeking NRC approval to extend its operating license 20 years, from 2030 to 2050.

<http://www.seacoastonline.com/articles/20110916-NEWS-109160360>

Dominion's 511 MW Kewaunee Nuclear Unit in Wisconsin Reduced to 78 Percent by September 16

The Nuclear Regulatory Commission reported that on the morning of September 15 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Long Island-New York City Offshore Wind Collaborative Files Application to Develop 350–700 MW Wind Farm off New York Coast September 15

The Long Island-New York City Offshore Wind Collaborative, consisting of Consolidated Edison, the Long Island Power Authority, and the New York Power Authority, filed an application Thursday with the Bureau of Energy Management, Regulation and Enforcement (BOEMRE) to lease an offshore site to build a proposed 350–700 MW wind farm. The site is located about 15 miles off the coast of New York City. BOEMRE has given no timeframe for making its decision.

Reuters, 11:41 September 16, 2011

<http://www.nypa.gov/Press/2011/110915a.html>

<http://www.businesswire.com/news/home/20110915007034/en/Deepwater-Wind-Propose-Offshore-Wind-Farm-Inter-State>

KU and LG&E to Retire 801 MW of Coal-fired Generation due to EPA Regulations, Replace Lost Capacity with 1,135 MW of New Natural Gas-fired Generation

Kentucky Utilities (KU) and its affiliated company, Louisville Gas & Electric (LG&E) have announced plans to retire three coal-fired power units whose combined generation is 801 MW, citing stricter EPA regulations. Facilities to be retired include a 563 MW coal-fired unit at LG&E's Cane Run facility, a 75 MW unit at KU's Tyrone facility, and a 163 MW unit at KU's Green River facility. Also on September 15, KU asked the state Public Service Commission (PSC) for permission to build 1,135 MW of new natural gas-fired generation to replace the retiring coal-fired units. If approved, KU and LG&E plan to begin installing a 640 MW natural gas-fired unit at LG&E's Cane Run power plant in southwestern Louisville in 2012 for operation by 2016. The utilities also plan to buy three natural gas-fired turbines in La Grange that will provide 495 MW of peak-generation supply. If approved, these turbines are expected to be available for use by next summer.

<http://www.kentucky.com/2011/09/16/1883688/ku-asks-to-build-new-plant-rates.html>

<http://isurfhopkins.com/local/12849-epa-forces-lgae-and-ku-to-close-3-coal-fired-power-plants.html>

Federal Surveys Estimate Combined Capacity of 1,400 MW in Small Hydroelectric Projects in Colorado; FERC Approves Construction of 23 kW Project Near Meeker, Colorado September 15

On September 15 the Federal Energy Regulatory Commission (FERC) approved the construction of the 23 kW Meeker Wenschhof hydroelectric project near Meeker, Colorado. This is the first approval since FERC and the state of Colorado signed an agreement last year to simplify procedures for the development of small-scale hydropower projects. Federal surveys have identified several hundred potential small hydropower projects of less than 5 MW in Colorado whose combined capacity is more than 1,400 MW.

<http://www.ferc.gov/media/news-releases/2011/2011-3/09-14-11.asp>

<http://www.ferc.gov/media/news-releases/2011/2011-3/09-14-11-order.pdf>

Petroleum

Update: State Board Approves Request by Hyperion Resources to Delay Construction of 400,000 b/d Refinery in Elk Point, South Dakota by Up to 18 Months

South Dakota's Board of Minerals and Environment approved the company's request to delay the project by up to 18 months. Construction on the proposed refinery was originally scheduled to begin by February 2011, but recession-related financing problems caused delays, according to Hyperion. Construction is now scheduled to begin by March 2013. The proposed refinery would process crude from Canadian tar sands into low-sulfur gasoline, diesel, jet fuel, and liquid petroleum gas. When constructed, it will be the country's first new oil refinery since 1976.

<http://www.businessweek.com/ap/financialnews/D9PP5OFG1.htm>

Update: ExxonMobil Likely to Restart 40,000 b/d Silvertip Crude Oil Pipeline in Montana 'within Days'

The Montana Department of Environment Quality said on September 16 that ExxonMobil is likely to gain approval to restart the 12-inch pipeline "within days," as it has satisfied most of the safety conditions required by the federal Pipeline and Hazardous Materials Safety Agency (PHMSA). The pipeline ruptured July 2, causing about 1,000 barrels of crude oil to spill into the Yellowstone River in Montana. ExxonMobil has repaired the pipe and has requested permission to restart.

Reuters, 11:53 September 16, 2011

<http://af.reuters.com/article/commoditiesNews/idAFS1E78F0RU20110916>

Hydrogen Sulfide Leak Reported at Chevron's 330,000 b/d Pascagoula, Mississippi Refinery September 14

The leak occurred in one of the plant's recovery systems, but there is no information on the status of the refinery's operations.

Reuters, 07:46 September 16, 2011

Power Failure Reported at Flint Hills's 290,078 b/d Corpus Christi, Texas Refinery September 15

The power failure released benzene and hydrogen sulfide. The release was secured and the system was shut down.

Reuters, 07:20 September 16, 2011

BP Reports Equipment Failure, Flaring at Its 265,000 b/d Carson, California Refinery September 14

The company said the flaring was due to an unknown equipment failure, but did not specify which unit was involved.

Reuters, 20:43, September 14, 2011

Gulf Keystone Plans to Build 440,000 b/d Crude Pipeline to Connect Iraq's Shaikan Field to Kirkuk-Ceyhan Export Pipeline

http://www.pennenergy.com/index/petroleum/display/0262488586/articles/pennenergy/petroleum/pipelines/2011/09/gulf-keystone_plans.html

Natural Gas

Enterprise Products Partners to Restart 14-inch NGL Pipeline in Texas September 16

Enterprise Products Partners LP shut an 8-mile section of one of the NGL pipelines that feeds its 305,000 b/d Mont Belvieu fractionation plant after a pinhole leak was discovered September 15. A filing to the National Response Center estimated the leak amounted to no more than 15 gallons. The shutdown had no impact on production.

<http://fuelfix.com/blog/2011/09/16/enterprise-says-texas-line-ready-today-after-ngl-leak/>

Other News

Update: Guardian Lima Reopens 54 MMGal/Yr. Ethanol Plant in Lima, Ohio September 15

Guardian Energy Holdings LLC held a re-opening ceremony on Thursday for the long-idled ethanol plant.

Operations at the plant restarted earlier this summer, and the plant has been operating at full capacity since August.

<http://www.istockanalyst.com/business/news/5421607/ethanol-plant-reopens-with-new-leadership>

Energy Prices

U.S. Oil and Gas Prices			
January 10, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	89.4	89.05	73.36
NATURAL GAS Henry Hub \$/Million Btu	4.04	3.99	4.09

Source: Reuters

Energy Notes

Line Repairs at DCP Midstream's Goldsmith Facility in Texas Cause Flaring at the Goldsmith Landreth Deep Unit Station 12 and the North Cowden Unit TS 17 September 15

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=159262>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=159272>

Update: Hijackers Continue to Hold Oil Tanker off Benin Coast

<http://www.businessweek.com/ap/financialnews/D9POT9000.htm>

<http://www.icc-ccs.org/piracy-reporting-centre/live-piracy-report/details/59/343>

Update: Libya's AGOCO Plans to Increase Production from 150,000 to 200,000 b/d from Sarir Oil Field by Month's End

<http://af.reuters.com/article/libyaNews/idAFL5E7KG13120110916>

Process Upset Causes Flaring at PBF Energy's 182,000 b/d Delaware City Refinery in Delaware September 15

Reuters 21:16, September 15, 2011

Statoil Approved to Develop and Operate Stjerne and Vigdis North-East Fields on Norwegian Continental Shelf for Combined 70 Million Barrels of Oil Equivalent, Due on Stream by 2012–2013

<http://www.foxbusiness.com/industries/2011/09/16/statoil-gets-ok-to-develop-and-operate-stjerne-vigdis-fields/>

Hurricane Maria Makes Landfall in Newfoundland on September 16; Power Outages Likely, Minimal Impact on O&G Operations Expected

<http://www.canada.com/news/Newfoundland+prepares+face+Maria/5410014/story.html#ixzz1Y8ccUEK6>

<http://www.vancouversun.com/news/Newfoundland+prepares+face+Maria/5410014/story.html>

AES Reports Unplanned Outage at its 225 MW Huntington Beach Gas-Fired Unit 3 in California September 15

Reuters, 18:55 September 15, 2011

Thieves Steal Approximately 500 Yards of Copper Wiring from Church in Antioch, California, Temporarily Cutting its Power September 15

http://www.mercurynews.com/breaking-news/ci_18904606

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 EDT every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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

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