



# ENERGY ASSURANCE DAILY

Thursday Evening, September 27, 2012

## ***Electricity***

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### **Ceramic Insulator Fails during Transformer Maintenance, Cuts Power to 26,000 Lake Worth Utility Customers in Florida September 26**

About 26,000 Lake Worth Utility customers were without power for more than 7 hours on Wednesday when a ceramic insulator failed as workers were replacing an old transformer with a new one.

[http://www.wptv.com/dpp/news/region\\_c\\_palm\\_beach\\_county/lake\\_worth/lake-worth-reduces-electric-rates](http://www.wptv.com/dpp/news/region_c_palm_beach_county/lake_worth/lake-worth-reduces-electric-rates)

### **Interior Department Approves Transmission Line for First Solar's 139 MW Campo Verde Solar Project in California**

The U.S. Department of Interior on Wednesday approved the construction of the transmission line for First Solar's Campo Verde solar energy project, which will cross public lands southwest of El Centro, California. First Solar in August announced it was developing the 139 MW solar power project and hoped to complete construction in 2013. San Diego Gas & Electric will purchase the project's output under a 20-year power purchase agreement.

<http://investor.firstsolar.com/releasedetail.cfm?ReleaseID=697383>

<http://www.doi.gov/news/pressreleases/Salazar-Approves-Transmission-Line-for-Campo-Verde-Solar-Project.cfm>

### **First Solar to Build Four Solar Power Plants in New Mexico Totaling 20 MW**

First Solar, Inc. today announced agreements to construct four solar power plants totaling 20 MW of generating capacity for PNM Resources, Inc. First Solar will provide engineering, procurement, and construction services, using its advanced thin-film photovoltaic modules. PNM has the option to expand the agreement to a total of 22 MW. The solar plants could be in service by the end of 2013, although the schedule is dependent on project approval by the New Mexico Public Regulation Commission, whose decision is expected in the fourth quarter of 2012.

<http://investor.firstsolar.com/releasedetail.cfm?ReleaseID=709819>

### **Virginia to Survey Federal Wind Development Area off Virginia Beach**

The Virginia Department of Mines, Minerals, and Energy is seeking proposals from companies to survey parts of a federally designated wind development area off Virginia Beach to determine if it can hold massive support structures for wind turbines, and to build platforms along the edges of the commercial lease area, to help map and measure wind speeds and direction, water levels, and wildlife activity. The initiatives are intended to spare developers the preliminary steps needed to create wind farms in offshore tracts overseen by the U.S. Department of the Interior and to create an environment for energy companies to move forward with wind energy plans, state officials said.

<http://finance.yahoo.com/news/va-aims-clear-way-offshore-150855288.html>

### **Update: FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio at Full Power by September 27**

On the morning of September 26 the unit was operating at 82 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

### **Elk Hills Power's 552 MW Elk Hills Natural Gas-Fired Unit in California Shut by September 26**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201209261515.html>

## **Petroleum**

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### **Update: Production Resumes Shortly after Tank Explosion at Irving's 300,000 b/d Saint John, New Brunswick Refinery September 26**

Irving Oil said the explosion at its Saint John refinery Wednesday morning occurred when a tank undergoing maintenance became over-pressurized, according to a statement. A 1,100-barrel tank of potassium hydroxide exploded just before noon Wednesday, but the incident did not compromise the container and caused no damage. Irving said production resumed about 50 minutes after the incident, which was not expected to impact operations at the refinery.

<http://www.hydrocarbonprocessing.com/Article/3094938/Latest-News/Explosion-injures-one-worker-at-Irving-Oil-refinery-in-New-Brunswick-Canada.html>

<http://www.princegeorgecitizen.com/article/GB/20120926/CP02/309269893/-1/princegeorge/explosion-at-irving-oil-refinery-in-new-brunswick-sends-man-to&template=cpArt>

### **Tesoro Reports Reformer Unit Startup at Its 166,000 b/d Martinez, California Refinery September 23**

Tesoro Corp. on Sunday reported the startup of the No. 3 reformer unit at its Golden Eagle refinery in Martinez, California, according to a filing with the Contra Costa County Health Department Hazardous Materials Program. The refinery had reported it shut an unspecified unit on September 15 to repair a leak. Reuters, 10:16 September 27, 2012

## **Natural Gas**

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### **Millennium Pipeline Receives FERC Approval to Construct Minisink Natural Gas Compressor Project in New York**

Millennium Pipeline Company, LLC on Wednesday announced that it has received approval from the U.S. Federal Energy Regulatory Commission (FERC) to construct its Minisink compressor project, which will increase deliverability to the eastern end of the company's Millennium pipeline to approximately 675 MMcf/d by compressing the gas using two natural gas turbine-driven centrifugal compressors. Construction is expected to commence immediately.

[http://www.millenniumpipeline.com/documents/minisink/PressRelease\\_Millennium\\_Pipeline\\_Receives\\_FERC\\_Approval\\_to\\_Construct\\_MinisinkCompressorProject\\_9\\_26\\_12.pdf](http://www.millenniumpipeline.com/documents/minisink/PressRelease_Millennium_Pipeline_Receives_FERC_Approval_to_Construct_MinisinkCompressorProject_9_26_12.pdf)

### **Update: Range Agreement Anchors Mariner East Project to Deliver 65,000 b/d of NGLs from Marcellus Shale to Southeastern Pennsylvania**

Range Resources Corporation on Wednesday announced that one of its subsidiaries has signed a 15-year agreement with Sunoco Logistics Partners, L.P. to become the anchor shipper on the Mariner East Project subject to final approval by the U.S. Federal Energy Regulatory Commission. The Mariner East Project is a pipeline, processing, and export project that will interconnect the natural gas liquids (NGLs) resources in southwest Pennsylvania to Sunoco's existing infrastructure and international port at its Marcus Hook facility near Philadelphia. It is subscribed to transport 65,000 b/d of ethane and propane from the MarkWest Energy Partners, L.P. processing facilities at Houston, Pennsylvania to Sunoco's facilities near Philadelphia. The project is expected to commence pipeline deliveries of propane in the second half of 2014. Ethane deliveries are forecasted to start in the first half of 2015 after additional ethane facilities are constructed at Marcus Hook.

<http://phx.corporate-ir.net/phoenix.zhtml?c=101196&p=irol-newsArticle&ID=1738715>

### **Natural Gas Pipelines Coming into Service This Year Could Boost Deliveries from Marcellus Shale to U.S. Northeast by 30 Percent**

Natural gas pipelines coming into service by the end of this year could boost deliveries from the Marcellus shale in the U.S. Northeast by 30 percent, based on government and pipeline-company projections. As much as 2 Bcf/d is scheduled for transport through lines in Pennsylvania, Ohio, and West Virginia to markets all along the Eastern Seaboard.

<http://www.ohio.com/business/natural-gas-pipelines-to-expand-u-s-supply-glut-1.337553>

## Maintenance and Repairs Cause Unit Shutdowns, Emissions at Regency's 290 MMcf/d Waha Gas Plant in Texas September 25–26

Regency Energy Partners reported numerous unit shutdowns during various maintenance and repair activities over September 25–26 caused emissions, according to filings with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=174069>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=174061>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=173981>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=173982>

## Other News

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Nothing to report

## International News

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### Attackers Blow Up Crude Oil Pipeline in Northeast Syria September 27

Unidentified attackers blew up a crude oil pipeline in the northeast Syrian province of Hasaka before dawn on Thursday, causing a large fire, the Syrian Observatory for Human Rights reported. The assailants also kidnapped the manager of a pumping station.

<http://www.perthnow.com.au/news/breaking-news/oil-pipeline-blown-up-in-northeast-syria/story-e6frg13l-1226482951374>

### Update: Sudan, South Sudan Sign Deals to Resume Oil Exports, Boost Trade

The leaders of Sudan and South Sudan on Thursday signed deals to establish a demilitarized zone along their shared border and boost trade, which will allow South Sudan to resume oil exports after infrastructure repairs are completed. The countries recently resolved a long-running dispute over how much the landlocked South Sudan should pay to transport its oil through Sudan. The dispute led to the shutdown in January of South Sudan's 350,000 b/d output. A South Sudan official said Thursday that preparations had already begun for the resumption of oil exports, anticipated to begin by the end of the year. Despite the agreements Thursday, the two sides failed to settle the fate of at least five disputed, oil-producing regions along the border.

Reuters, 12:06 September 27, 2012

## Energy Prices

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U.S. Oil and Gas Prices			
September 27, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> West Texas Intermediate U.S. \$/Barrel	91.45	91.85	83.58
<b>NATURAL GAS</b> Henry Hub \$/Million Btu	2.92	2.70	3.80

Source: Reuters

## Links

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*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](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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