



ENERGY ASSURANCE DAILY

Wednesday Evening, September 28, 2011

Electricity

NRG Does Not Expect to Shut Texas Coal-Fired Power Plants to Comply with New EPA Pollution Rule

An NRG Energy Inc. spokesperson said the company does not expect to shut units at its coal-fired plants to comply with the Environmental Protection Agency's (EPA) recently issued Cross-State Air Pollution Rule (CSAPR), which calls for stricter limits on emission of nitrogen oxide and sulfur dioxide from coal and natural gas-fired power plants beginning in January 2012. NRG has 4,200 MW of coal and lignite-fired generation in Texas. The company intends to make some compliance-related adjustments. At its 1,690 MW Limestone facility burning lignite and lower-sulfur coal from the Powder River Basin (PRB), NRG intends to increase the scrubber efficiency and burn more low-sulfur coal. At its 2,490 MW Parish coal-fired plant, which also burns PRB coal, the company may also burn more low-sulfur coal. NRG may also adjust how it runs its coal-fired plants during low-demand periods. Meanwhile, the Texas Attorney General's office has challenged the EPA's regulation in court, citing electric reliability concerns. Reuters, 12:16 September 27, 2011

Update: NRC Hearing Begins for Southern Co.'s Proposed 2,200 MW Expansion at Existing 2,300 MW Vogtle Nuclear Power Plant in Georgia September 27

The U.S. Nuclear Regulatory Commission (NRC) began hearing testimony Tuesday about Southern Company's plans to build two new nuclear reactors at its Vogtle plant near Augusta, Georgia. Commissioners must first approve the Westinghouse Electric AP1000 reactor that would power the units and formalize the regulations to allow its use, a process the NRC has said could go on until early 2012.

<http://finance.yahoo.com/news/Hearing-under-way-for-apf-1211914832.html?x=0&.v=4>

http://www.cedartownstd.com/view/full_story/15769833/article-Hearing-begins-for-proposed-Ga--nuclear-plant?instance=home_news_1st_left

Update: DOE Approves Funding for Summit Texas Clean Energy's 400 MW IGCC Plant in Texas

The Department of Energy (DOE) issued a record of decision that supports federal funding for a 400 MW integrated gasification combined cycle (IGCC) plant that Summit Texas Clean Energy plans to build near Midland-Odessa, Texas. The facility will combine IGCC power generation, urea production, and carbon dioxide capture, utilization, and storage technology. Roughly 200 MW will be used on-site, and the other 200 MW will feed into the grid.

<http://www.power-eng.com/articles/2011/09/clean-coal-project-in-texas-wins-450mn-in-federal-help.html>

<http://www.dallasnews.com/business/energy/20110927-coal-gasification-plant-a-step-closer-to-reality.ece>

Update: New York Power Authority Ends Proposed 150 MW Great Lakes Offshore Wind Project Due to High Costs, Weak Economy

Reuters, 16:00 September 27, 2011

<http://uk.reuters.com/article/2011/09/27/greenbiz-us-utilities-nypa-greatlakeswin-idUKTRE78Q5SC20110927>

Update: DOE Finalizes Loan Guarantee for Solar Reserve's 110 MW Crescent Dunes Solar Energy Facility in Nevada September 28

DJN, 11:57 September 28, 2011

Planned Restart Takes Longer Than Expected at Energy Northwest's 1,131 MW Columbia Nuclear Plant in Washington

The process to exit the plant's longest refueling outage began September 20, but took longer than expected because operators had to test reactor systems before reconnecting to the grid September 28.
Reuters, 08:54 September 28, 2011

Two 472 MW Units Shut at SCE's 1,054 MW Mountainview Gas-Fired Power Plant in California

September 27

Units 3 and 4 were shut. It's unknown when they will restart.
Reuters, 21:24 September 27, 2011

Petroleum

SRU Trips at Alon's 67,000 b/d Big Spring, Texas Refinery September 27

According to a filing with the Texas Commission on Environmental Quality, one of the main circuit breakers overloaded and tripped sulfur recovery unit 1 (SRU) off line for about an hour and a half yesterday, causing part of the SRU feed to flare. The SRU has been restarted.

Reuters, 11:31 September 28, 2011

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=159715>

Update: Chevron's Main Pass Crude Oil Pipeline Resumes Operations Offshore Louisiana September 27

Chevron Corp. said Wednesday that its Main Pass pipeline network resumed operations Tuesday evening off the Louisiana Coast in the Gulf of Mexico. Chevron closed the pipeline earlier this month to investigate a leak on the riser, which spilled 2.3 gallons of crude oil.

DJN, 09:56 September 28, 2011

Buzzard Oilfield in U.K. North Sea Reaches Nearly Normal Rate of 200,000 b/d September 28

The U.K.'s largest oilfield was briefly shut last week due to activities related to the startup of a new platform, traders say.

Reuters, 06:10 September 28, 2011

Hess Corp. CEO Says U.S. Oil Output from Shale Prospects Could Reach 1.5-2 MMb/d in 5-7 Years

Reuters, 17:03 September 27, 2011

Natural Gas

Alliance Pipeline to Develop 120 MMcf/d Tioga Lateral to Ship Gas from North Dakota to Chicago Hub

Veresen Inc. and Enbridge Inc., joint owners of Alliance Pipeline, will begin developing a 77-mile Tioga Lateral pipeline with an initial capacity of 120 MMcf/d. The pipeline will connect production from the Hess Tioga gas processing plant in the Bakken region of North Dakota to the Alliance mainline near Sherwood, North Dakota. It will facilitate movement of natural gas to natural gas liquid processing facilities owned by Aux Sable Liquids Products at the terminus of the Alliance mainline system. Alliance said September 28 that it is identifying additional shipper demand. The pipeline is expected to be in service by the third quarter of 2013.

Reuters, 9:01 September 28, 2011

<http://www.theglobeandmail.com/report-on-business/international-news/enbridge-veresen-to-build-bakken-natural-gas-pipeline/article2181714/>

Venezuela Announces It Will Freeze Liquid Natural Gas Projects Due to Falling Prices September 28

Reuters, 11:03 September 28, 2011

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices September 28, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	82.33	86.95	77.68
NATURAL GAS Henry Hub \$/Million Btu	3.92	3.84	3.80

Source: Reuters

Energy Notes

Shell Reports Fire at 500,000 b/d Singapore Refinery September 28, Expects No Shortages in Market

Reuters, 10:44 September 28, 2011

<http://www.reuters.com/article/2011/09/28/shell-refinery-fire-idUSL3E7KS2CB20110928>

<http://www.guardian.co.uk/business/feedarticle/9868842>

Tipton County Approves E.ON's 200 MW Wildcat Wind Farm in Indiana September 26

<http://kokomotribune.com/local/x1243299423/Tipton-wind-farm-can-now-seek-building-permits>

Oltmans Construction Co. Completes 8.6 MW Rooftop Solar Photovoltaic Plant in Rialto, California September 27; Southern California Edison to Buy Electricity

<http://www.solarserver.com/solar-magazine/solar-news/current/2011/kw39/oltmans-completes-largest-rooftop-pv-plant-in-north-america-at-86-mw.html>

Update: Prince George's County Council Says BGE Lacked Customer Service in Wake of Hurricane Irene; Customers Rate Performance Poorly

<http://www.gazette.net/article/20110928/NEWS/709289388/1029/1029/prince-george-s-council-praises-pepco-blasts-bge-for-hurricane&template=gazette>

<http://www.wbalv.com/consumer/29323100/detail.html>

Refinery Workers across France Consider Strike after LyondellBassel Announces Planned Closure of 105,000 b/d Berre L'Etang Refinery

Reuters, 12:08 September 28, 2011

<http://www.xe.com/news/2011-09-27%2010:18:00.0/2178621.htm>

Venezuela Announces Plans to Boost Oil Output to 3.24 MMb/d by 2012 and to 4.03 MMb/d by 2014

Reuters, 18:42 September 27, 2011

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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