



# ENERGY ASSURANCE DAILY

Wednesday Evening, September 30, 2009

## ***Electricity***

---

### **Earthquake and Tsunami Devastate American Samoa and South Pacific Region, Killing More than 100 People and Cutting Electric Supplies**

President Obama declared a major disaster after an earthquake-triggered tsunami struck the islands of Samoa and American Samoa on September 29-30, killing more than 100 people and severely disrupting the electric grids on these islands, sources said. The initial, 8.0-magnitude earthquake killed at least 84 Samoans, 22 American Samoans, and seven in nearby Tonga, a news source said. It cut power and water supplies to the eastern part of American Samoa, and triggered a tsunami just 20 minutes later, the source said. In American Samoa—home to 65,000 people—the devastation reached the capital, Pago Pago, where it flattened buildings and cut power to an unknown number of customers. American Samoa's Lieutenant Governor said the tsunami had shut down the territory's main power facility; he said the plant would remain down for as long as a month. This oil-fired plant has a capacity of about 28 MW. The other main power plant on the main island of Tutuila is in the southeast, is several miles from the flooding and has a capacity of 20 MW. The American Samoa Power Authority said electricity would be offline indefinitely. Power and communications disruptions hampered officials' efforts to obtain specific damage figures. President Obama's "major disaster" declaration made available federal funds for the recovery process in American Samoa.

<http://www.theaustralian.news.com.au/story/0,25197,26149697-601,00.html>

<http://www.fema.gov/news/newsrelease.fema?id=49596>

[http://www.google.com/hostednews/ap/article/ALeqM5gcQYRcaxXR6t5UcX\\_WlbD\\_qBAmQwD9B1MF680](http://www.google.com/hostednews/ap/article/ALeqM5gcQYRcaxXR6t5UcX_WlbD_qBAmQwD9B1MF680)

[http://www.google.com/hostednews/afp/article/ALeqM5iTZgdbf9iT2YR2\\_40JfgBsOi5Dw](http://www.google.com/hostednews/afp/article/ALeqM5iTZgdbf9iT2YR2_40JfgBsOi5Dw)

<http://www.samoanews.com/viewstory.php?storyid=9550>

[http://tonto.eia.doe.gov/state/territory\\_profile\\_aq.html](http://tonto.eia.doe.gov/state/territory_profile_aq.html)

### **TVA's 1,118 MW Browns Ferry Nuke Unit 2 in Alabama Shut by September 30**

The Nuclear Regulatory Commission reported that on the morning of September 29 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/2009/>

### **Exelon's 1,022 MW Clinton Nuke Unit in Illinois Shut by September 30**

Exelon shut the unit due to a leak, according to a Nuclear Regulatory Commission (NRC) report. The NRC reported that on the morning of September 29 the unit was operating at 96 percent.

Bloomberg News, 09:39 September 30, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

### **Watson Cogeneration's 417 MW Watson Cogeneration Gas-fired Unit in California Reduced by September 29**

According to the California Independent System Operator, the unit reported an unplanned curtailment of 227 MW by September 29.

<http://www.caiso.com/unitstatus/data/unitstatus200909291515.html>

### **Mirant's 206 MW Potrero Gas-fired Unit 3 in California Shut by September 29**

According to the California Independent System Operator, the unit reported an unplanned outage by September 29.

<http://www.caiso.com/unitstatus/data/unitstatus200909291515.html>

### **Update: FPL's 839 MW Saint Lucie Nuke Unit 2 in Florida at Full Power by September 30**

The unit went offline due to issues with a pump motor on September 10, a news source said. The company attempted to restart it by September 21, but canceled that effort due to a suspected valve leak, according to the source. The Nuclear Regulatory Commission reported that on the morning of September 29 the unit was not operating.

Reuters, 07:31 September 30, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

### **Update: NRC Begins Special Inspection into September 19-20 Shutdown at Progress Energy's Brunswick Nuclear Power Station in North Carolina**

The Nuclear Regulatory Commission (NRC) began a special inspection of a September 19-20 incident that forced shut both reactors at Progress Energy's Brunswick nuclear power station in North Carolina, the NRC said in a release. During return-to-service testing on September 19, an emergency diesel generator shut unexpectedly, and then failed to restart, the NRC said. Unable to correct the error, operators were forced to shut down both of the facility's reactors on September 20. The NRC said it would chronicle the event, review the company's actions, evaluate testing procedures, and identify relevant issues. The inspection began on September 25 and should run until early October.

<http://www.nrc.gov/reading-rm/doc-collections/news/2009/09-054.ii.html>

### **Update: NRG to Restart 836 MW Coal-fired Limestone Unit 1 in Texas September 30-October 1**

NRG planned to restart the 836 MW coal-fired Limestone Unit 1 in Texas from September 30-October 1, the company said in a filing with state regulators. Operators shut the unit to fix a boiler tube leak, the filing said.

<http://www11.tceq.state.tx.us/oce/eei/index.cfm?fuseaction=main.getDetails&target=130079>

### **CPV Keenan, Edison Mission Energy Plan Combined 280 MW of Wind Farms in Oklahoma**

CPV Keenan Energy plans to construct a 150 MW wind farm in Woodward County, Oklahoma, and Edison Mission Energy plans to build a 130 MW wind farm in Dewey County, Oklahoma, according to a press release. The facilities would enter service by the end of 2010.

<http://www.oge.com/Pages/News.aspx>

### **Update: Black Hills Plans 200 MW Gas-fired Power Plant in Colorado**

Black Hills Colorado IPP plans to construct a 200 MW gas-fired power plant in Colorado, the company's parent-organization, Black Hills Corporation, said in a release. The combined-cycle facility would involve two 100 MW units. Each of those units would contain two 40 MW gas-fired combustion turbines and one 20 MW steam turbine, the company said. Black Hills expects to begin operations by the start of 2012.

<http://www.blackhillscorp.com/news09/092909.pdf>

### **Update: Cyber Security Coordination Task Group Releases Draft Report on U.S. Smart Power Grid—Group to Institute Security Requirements by March 2010**

<http://csrc.nist.gov/publications/drafts/nistir-7628/draft-nistir-7628.pdf>

### **NB Power to Shutter 57 MW Coal-fired Grand Lake Generating Station in Ontario in June 2010**

NB Power plans to shutter the 57 MW coal-fired Grand Lake Generating Station in Ontario when its operating license expires in June 2010, the company said in a release. The site's is coal supplier, NB Coal Ltd's only customer, so it also expects to halt operations. NB Power cited "environmental and economic challenges" in its decision to shut the "aging" plant. The facility began operations in 1931.

[http://www.nbpower.com/html/en/about/media/media\\_release/pdfs/GrandLakeGeneratingStationNBCoalSept29EN.pdf](http://www.nbpower.com/html/en/about/media/media_release/pdfs/GrandLakeGeneratingStationNBCoalSept29EN.pdf)

<http://www.cbc.ca/canada/new-brunswick/story/2009/09/29/nb-minto-grand-lake-coal-1154.html>

## **TransCanada Plans 900 MW Gas-fired Oakville Generating Station in Ontario**

TransCanada plans to construct the 900 MW gas-fired combined-cycle Oakville Generating Station in Oakville, Ontario, it said in a release. Pending various approvals, the company expects to open the facility by the end of 2013.  
[http://www.transcanada.com/news/2009\\_news/20090930.html](http://www.transcanada.com/news/2009_news/20090930.html)

## **Petroleum**

---

### **Hydrocracker Shutdown at Citgo's 320,000 b/d Lake Charles, Louisiana Refinery September 29**

A hydrocracker shut for emergency reasons at Citgo's 320,000 b/d Lake Charles, Louisiana refinery on September 29, a state police source said. The incident triggered flaring, according to the source.  
Bloomberg News, 10:22 September 30, 2009

### **Shell Restarting Unspecified Units at 98,000 b/d Scotford Refinery in Alberta, Canada by September 29**

Shell began restarting multiple units at its 98,000 b/d Scotford refinery in Alberta, Canada by September 29, it said in a notice. The company began working on the units in early September, it said previously.  
Reuters, 11:30 September 30, 2009

### **China, Iran Ink Deal to Develop 260,000 b/d South Azadegan Oil Project in Iran**

China's Azadegan Oil Field China National Petroleum Corp (CNPC) and the National Iranian Oil Company signed a deal to develop the estimated 42 billion barrel South Azadegan oil field in Iran, a news source reported. The field should yield 260,000 b/d of oil, the source said.  
[http://www.rigzone.com/news/article.asp?a\\_id=80845](http://www.rigzone.com/news/article.asp?a_id=80845)

### **Venezuela, Vietnam Plan 200,000 b/d Oil Production at Junin II Block in Venezuela's Orinoco Oil Belt**

Venezuela's PdVSA and Vietnam's Petrovietnam are discussing plans to jointly produce 200,000 b/d of oil from the Junin II Block of the Orinoco Oil belt in Venezuela, a news source reported. The companies could begin production by early 2011, the source said.  
[http://www.rigzone.com/news/article.asp?a\\_id=80859](http://www.rigzone.com/news/article.asp?a_id=80859)

### **Update: Perenco to Develop 300 Million Barrel Oil Block in Marañon Basin, Peru**

Perenco plans to drill more than 100 wells across 10 platforms in Block 67 of the Marañon Basin in Peru, and then export generated oil via the Bayovar terminal on the nation's Pacific Coast, a news source reported. "Block 67" includes the Paiche, Dorado and Pirana fields, and could hold more than 300 million barrels of oil reserves. Perenco expects to construct processing facilities and multiple oil pipelines, which would deliver oil to the nation's existing export pipeline system.  
[http://pipelinesinternational.com/news/peru\\_maps\\_pipeline\\_with\\_furgo/008185/](http://pipelinesinternational.com/news/peru_maps_pipeline_with_furgo/008185/)

## **Natural Gas**

---

Nothing to report.

## **Other News**

---

### **Western Coal Corp. to Add 3 Million Tonnes/Year of New Coal Production by 2013**

Western Coal Corp. expects to expand its existing Brule, Wolverine, and Willow Creek coal mines in British Columbia, Canada, and boost production at its Maple Coal and Gauley Eagle mines in West Virginia, it said in a release. The company also plans to assist its partly-owned Energybuild Group Plc increase coal output at an unspecified location. Western Coal expects the work to boost its coal production by 3 million tonnes/year, from the current 7 million tonnes/year to 10 million tonnes/year by 2013.  
[http://www.westerncoal.com/pdf/09-27\\_AGM\\_update\\_FINAL.pdf](http://www.westerncoal.com/pdf/09-27_AGM_update_FINAL.pdf)

## Gevo Seeks to Retrofit Ethanol Plants to Produce Biobutanol—Company Hopes to Convert at Least 200 MMGal/Yr. of Capacity

Gevo Inc. produced biobutanol at a 1 MMGal/Yr. demonstration plant in Missouri, and said it could quickly and cheaply convert existing ethanol plants to similarly generate the advanced biofuel. The company seeks to acquire and retrofit up to five ethanol plants, a news source reported. It hopes to convert at least 200 MMGal/Yr. of production, according to the source.

<http://online.wsj.com/article/SB125427984449051595.html>

<http://www.prnewswire.com/news-releases/gevo-launches-development-company-to-retrofit-ethanol-plants-to-make-biobutanol-62833722.html>

## Energy Prices

---

| U.S. Oil and Gas Prices  |       |          |          |
|--|-------|----------|----------|
| September 30, 2009   |       |          |          |
|  | Today | Week Ago | Year Ago |
| <b>CRUDE OIL</b><br><b>West Texas Intermediate U.S.</b><br>\$/Barrel | 69.33 | 68.74    | 98.88    |
| <b>NATURAL GAS</b><br><b>Henry Hub</b><br>\$/Million Btu             | 3.30  | 3.43     | 7.10     |

Source: Reuters

## Energy Notes

---

### Copper Thieves Trigger Substation Fire, Cuts Power to Most of Alcona, Ontario

September 25

<http://www.innisfilscope.com/news/2009/0930/police/016.html>

### Update: State PSC Okays Minnesota Power's Planned 75.9 MW Wind Farm in North

Dakota September 29

<http://finance.yahoo.com/news/ND-regulators-approve-New-apf-448821173.html?x=0&.v=1>

### Update: Duke Energy Plans 620-Acre Lake as Backup Water Supply for Planned Nuclear Reactor in South Carolina

[http://www.wbt.com/news/details.cfm?article\\_id=48131](http://www.wbt.com/news/details.cfm?article_id=48131)

### Current Projects Could Boost U.S. Geothermal Power Capacity to 10 Gigawatts—

Geothermal Energy Association

<http://www.prnewswire.com/news-releases/geothermal-power-could-top-10-gigawatts-new-industry-report-shows-62651727.html>

### Kazakhstan Seeks to Double Oil Production to about 3 Million b/d over Next 10 Years

[http://pipelinesinternational.com/news/azerbaijan\\_in\\_talks\\_over\\_new\\_pipeline/008188/](http://pipelinesinternational.com/news/azerbaijan_in_talks_over_new_pipeline/008188/)

### Update: EPA Removes Ethanol Industry from GHG Reporting Requirements

[http://www.biomassmagazine.com/article.jsp?article\\_id=3110](http://www.biomassmagazine.com/article.jsp?article_id=3110)

### Texas O&G Rigs Total an Average 366 in August 2009, Down from 958 at End of August 2008—Baker Hughes

<http://www.fwbusinesspress.com/display.php?id=11094>

**Compressor Station Shutdown Triggers Upset at Pittsburg Gas Plant in Texas  
September 29**

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=130038>

**Update: State PSC Recommends Approval of FPL's Planned 300-mile, 30-inch Natural Gas Pipeline in Florida**

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=18419](http://www.downstreamtoday.com/news/article.aspx?a_id=18419)

**FERC Gives Environmental Okay to Northwest Pipeline's Planned Sundance Trail Natural Gas Expansion Project in Colorado and Wyoming**

<http://intelligencepress.com/>

**Transcontinental Gas Pipe Line Receives FERC Environmental Approval for Planned Natural Gas Project in New Jersey**

<http://intelligencepress.com/>

**Milestone Operating Files Suit against Denbury Green's Planned 314-mile, 24-inch CO2 Pipeline in Texas and Louisiana—Company Says Denbury Ignored Warnings of Existing Natural Gas Pipelines along Proposed Route**

<http://www.setexasrecord.com/news/221342-more-pipeline-drama-filed-against-denbury-green>

**International Biofuel Consumption to More than Double by 2015—Hart's Global Biofuels Center**

<http://www.prnewswire.com/news-releases/global-biofuels-growth-to-double-by-2015-62833927.html>

**Global Landfill Waste Could Yield 82.93 Billion Litres of Cellulosic Ethanol—Replacing Gasoline with Resultant Ethanol Could Slash World's Carbon Emissions by 29.2-to-86.1 Percent per Unit of Energy Generated, Scientists Say**

<http://trak.in/news/converting-trash-into-biofuel-may-cut-co2-emissions-by-80-percent/9023/>

**Gazprom Seeks to Expand in North American Gas and Electricity Sectors**

Bloomberg News, 04:38 September 30, 2009

## **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](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

---

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:  
<http://www.oe.netl.doe.gov/ead.aspx>

*Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)*