### **ENERGY ASSURANCE DAILY**

Friday Evening, September 30, 2011

### **Electricity**

## Powerful Winds Knock Out Power to Nearly 102,000 WPS, NIPSCO, ComEd, I&M Customers around Lake Michigan September 29-30

Strong winds beginning Thursday afternoon and lasting into the morning Friday caused widespread power outages throughout Green Bay, northwestern Indiana, Chicago, southwestern Michigan, and other areas around Lake Michigan. Wisconsin Public Service (WPS) reported that at its peak, the storm knocked out power to over 41,000 customers in the Green Bay area. Over 25,000 were still without power at noon on Friday. In northwestern Indiana, the storm cut power to more than 16,000 Northern Indiana Public Service Co. (NIPSCO) customers. By Friday afternoon, the utility had restored power to all but about 1,600 of its customers. A Commonwealth Edison (ComEd) spokesperson said that approximately 27,800 customers were without power in the Chicago area Thursday night. Early Friday morning, 5,000 customers still lacked electricity. As of Friday morning, about 17,000 Indiana Michigan Power (I&M) customers in southwest Michigan and northwest Indiana experienced power outages because of the storm. Restoration is expected gradually throughout the weekend.

http://www.integrysgroup.com/news/view article.cfm?reckey=02179&companyID=wpsc

http://www.integrysgroup.com/news/view\_article.cfm?reckey=02182&companyID=wpsc

http://www.fox19.com/story/15584932/winds-cut-power-to-16000-nipsco-customers

http://www.nipscooutages.com/WSSNisourceOutageMap/outagemap.html?action=city&reloaded=true

 $\underline{http://www.myfoxchicago.com/dpp/news/metro/more-than-27-thousand-comed-customers-without-power-strong-high-winds-rain-20110929$ 

https://www.comed.com/sites/customerservice/Pages/OutageMap.aspx

https://indianamichiganpower.com/outages/details.aspx?stormName=September 30 - Michiana Wind Storm

#### Rhode Island Senate Committee Questions National Grid Response to Power Outages after Hurricane Irene September 29

One senator told National Grid that it should have done a better job of bringing in utility crews from out-of-state to help with restoration. National Grid executives told the committee that it prepared for the storm by bringing in out-of-state utility officials, stocking extra supplies, and keeping 2,400 workers and contractors on duty, compared to just 900 employees normally. The hurricane knocked out power to approximately 344,000 of National Grid's 480,000 Rhode Island customers and damaged eight transmission lines, 24 sub-transmission lines, 222 utility poles, and 22 substations around the state. The utility restored power to more than half its customers the next day, and to 89 percent after four days.

 $\frac{http://moneywatch.bnet.com/economic-news/news/ri-lawmakers-fault-utilitys-response-to-irene/6307027/\#ixzz1ZReQitPa}{}$ 

http://www.forbes.com/feeds/ap/2011/09/30/business-us-irene-utility-response-rhode-island\_8709622.html

# Explosion Damages Coal Silo at Hasting City Utilities's 220 MW Whelan Energy Center in Nebraska September 29

A small amount of coal dust in a silo at the plant ignited and caused the explosion about 4:15 AM Thursday. The silo was nearly empty in preparation for a planned outage that was to have started at midnight and is scheduled to last until October 12. The silo and part of the conveyor system carrying coal to the plant were damaged in the explosion, but the other two silos at the plant contain coal and the plant was still online Friday. The 220 MW pulverized coal-fired generating plant was completed and brought into service in May. http://www.theindependent.com/articles/2011/09/29/news/local/13967745.txt

## **Update: TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Restarts, Ramps Up to 12 Percent by September 30**

The Nuclear Regulatory Commission reported that on the morning of September 29 the unit was not operating. Information derived from the NRC Power Reactor Status Reports:

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

# Update: Progress Energy's 710 MW Robinson Nuclear Unit 2 in South Carolina Restarts, Ramps Up to 18 Percent by September 30

The Nuclear Regulatory Commission reported that on the morning of September 29 the unit was not operating. Information derived from the NRC Power Reactor Status Reports:

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

## APS's 1,243 MW Palo Verde Nuclear Unit 1 in Arizona Reduced to 39 Percent by September 30

The Nuclear Regulatory Commission reported that on the morning of September 29 the unit was operating at 85 percent.

Information derived from the NRC Power Reactor Status Reports:

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

# Dominion's 871 MW Millstone Nuclear Unit 2 in Connecticut Ramped Up to 95 Percent by September 30

The Nuclear Regulatory Commission reported that on the morning of September 29 the unit was operating at 80 percent.

Information derived from the NRC Power Reactor Status Reports:

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

#### RRI Energy's 215 MW Mandalay Gas-Fired Unit 1 in California Shut by September 29

According to the California Independent System Operator, the unit reported an unplanned outage on September 29. <a href="http://content.caiso.com/unitstatus/data/unitstatus201109291515.html">http://content.caiso.com/unitstatus/data/unitstatus201109291515.html</a>

## Update: WECC Approves NorthWestern Energy's 500 kV, 430-Mile MSTI Transmission Line in Montana and Idaho

The Western Electricity Coordinating Council (WECC) has notified NorthWestern Energy that the Mountain States Transmission Intertie (MSTI) has been approved to carry up to 1,500 megawatts of electricity north to south and up to 1,100 MW south to north. NorthWestern is currently working its way through the siting process with the Bureau of Land Management and the Montana Department of Environmental Quality. Officials have not announced a construction timeline or completion date.

http://www.northwesternenergy.com/OurCompany/NewsCenter/displaynews.aspx?Article=7037&item=20

#### Petroleum

# Update: Shell Finally Extinguishes Fire at 500,000 b/d Singapore Refinery, Declares Force Majeure on Distillate Sales; Refinery Expected to Shut for at Least a Month

Royal Dutch Shell Plc finally extinguished a massive fire late Thursday that had burned for nearly 30 hours at its 500,000 b/d Singapore refinery, the company's largest. The fire forced the company to shut down the entire refinery, and it is reportedly expected to stay shut for at least a month. Shell declared a force majeure on its distillates deals, traders said on Friday. Investigators are working to determine the cause of the fire.

http://www.reuters.com/article/2011/09/30/singapore-refinery-fire-idUSL3E7KU1TS20110930 http://www.reuters.com/article/2011/09/29/us-shell-refinery-fire-idUSTRE78R2B420110929

#### BP Restarts CDU at Its 450,000 b/d Whiting, Indiana Refinery September 30

The crude distillation unit (CDU) was shut earlier this week for unplanned maintenance. <a href="http://www.reuters.com/article/2011/09/30/refinery-operations-bp-whiting-idUSWEN892420110930">http://www.reuters.com/article/2011/09/30/refinery-operations-bp-whiting-idUSWEN892420110930</a>

## Power Failure Affects Several Units at Alon's 67,000 b/d Big Spring, Texas Refinery September 29

A power failure Thursday affected several units, including a diesel hydrotreater and flue gas treatment units, according to a filing with the Texas Commission on Environmental Quality. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=159847

### Wet Gas Compressor Trips at Motiva's 250,000 b/d Norco, Louisiana Refinery September 29

Motiva reduced feed to the unit and is conducting air monitoring. http://www.nrc.uscg.mil/reports/rwservlet?standard\_web+inc\_seq=991234

## Valero Accuses TNMP of 'Inadequate Preventive Maintenance' after Suffering Repeated Power Outages at Texas City Refinery

In a letter to the CEO of Texas-New Mexico Power (TNMP), Valero CEO's accused the power company of "inadequate preventive maintenance" and questioned its ability to provide a reliable source of power to Valero's 240,000 b/d Texas City refinery. In April, power line contamination, a buildup of dirt and sand because of the lack of rain, caused arching problems and flashovers that caused two major power outages to Texas City's industrial complexes, including Valero's refinery. The refinery suffered three other power outages in May, June, July, and again last week that were not weather-related. http://galvestondailynews.com/story/261622

## Update: Shell Pipeline Solicits Shippers for the 900,000 b/d St. James-to-Houston Westward Ho Crude Oil Pipeline Project September 29

Shell Pipeline LP announced Thursday that it is soliciting shippers to book firm capacity on its Westward Ho pipeline, which could carry as much as 900,000 b/d of crude oil from St. James, Louisiana to Houston, Texas. The pipeline would enhance access to anticipated increased domestic production of U.S. Gulf of Mexico and foreign crude available at St. James, Louisiana. Additionally, the Westward Ho Pipeline project would complement the new storage and logistics infrastructure that is currently being built in the St. James and Clovelly, Louisiana areas. <a href="http://www.shell.us/home/content/usa/aboutshell/media\_center/news\_and\_press\_releases/2011/09292011\_ho.html">http://www.shell.us/home/content/usa/aboutshell/media\_center/news\_and\_press\_releases/2011/09292011\_ho.html</a>

# Iraq to Put One of Three New 900,000 b/d Oil Export Terminals into Service in Gulf January 1

Three new oil export terminals under construction in the Gulf will help Iraq handle its increasing output from southern oilfields, an official at the state-run South Oil Co. told news sources Thursday. Each single-point mooring (SPM) has a 900,000 b/d capacity and will be connected to the shore near Basra by twin 60-km seabed pipelines, but only one will be put into operation January 1. When all three moorings are in operation, it will give Iraq an additional export capacity of 2.7 MMb/d, which will more than double Basra's current capacity. Iraq also has plans for a third Gulf pipeline and a fourth SPM, and it hopes to make plans for a fifth SPM, as well. <a href="http://www.reuters.com/article/2011/09/29/iraq-oil-terminals-idUSL5E7KT1EK20110929">http://www.reuters.com/article/2011/09/29/iraq-oil-terminals-idUSL5E7KT1EK20110929</a>

#### Natural Gas

## CenterPoint Energy Declares Force Majeure on 27 MMcf/d Gas Pipeline in Arkansas September 30

According to a posting on the company's website, CenterPoint declared force majeure on its 28,000 dekatherm per day (27 MMcf/d) BT-1-AN line in northwest Arkansas. The outage is expected to last until October 4 as the company makes repairs to the line.

 $\frac{http://pipelines.centerpointenergy.com/viewReport.aspx?Pipeline=CEGT\&ReportType=NOTICES:CriticalNotices\\ \&URL=http://pipelines.centerpointenergy.com/stellent/groups/public/documents/ebb/cnp197477.htm$ 

## Equipment Failure Causes Gas Leak at Columbia Gas Transmission's Corning Compressor Station in New York

http://www.nrc.uscg.mil/reports/rwservlet?standard\_web+inc\_seq=991048

# **Update: DOE Finalizes Loan Guarantee to Support the 23 MMGal/Yr. Abengoa Bioenergy Project**

U.S. Energy Secretary Steven Chu announced Thursday that the Department of Energy (DOE) has finalized a loan guarantee to Abengoa Bioenergy Biomass of Kansas, LLC to support the development of a commercial-scale cellulosic ethanol plant. The project is expected to convert approximately 300,000 tons of agricultural crop residues, including corn stover (stalks and leaves), into approximately 23 million gallons of ethanol per year using an innovative enzymatic hydrolysis process.

http://energy.gov/articles/energy-department-finalizes-132-million-loan-guarantee-support-abengoa-bioenergy-project

## Florida Authorizes Production of Highlands EnviroFuels's 36 MMGal/Yr. Ethanol Production Plant for Operation Late 2013

http://www2.highlandstoday.com/content/2011/sep/30/LANEWSO1-highlands-envirofuels-gets-permit/

### **Energy Prices**

| U.S. Oil and Gas Prices September 30, 2011       |       |          |          |
|--|-------|----------|----------|
|  | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 80.35 | 80.12    | 79.60    |
| NATURAL GAS Henry Hub \$/Million Btu             | 3.77  | 3.72     | 3.81     |

Source: Reuters

### **Energy Notes**

### Construction Crews Puncture PG&E Natural Gas Line in Pleasant Hill, California September 29

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2011/09/29/BA511LBGFH.DTL#ixzz1ZRexpc2D

AES Ilumina Begins Construction of 24 MW Solar Photovoltaic Power Plant in Guayama, Puerto Rico; Operation Planned for Summer 2012

http://finance.yahoo.com/news/AES-Solar-and-Met-Life-bw-1825028174.html?x=0&.v=1

## PG&E Completes Three Solar Projects to Deliver Combined 50 MW Capacity near Fresno, California September 29

http://www.pge.com/about/newsroom/newsreleases/20110929/pgampe completes three solar projects to deliver more\_clean\_energy\_to\_customers.shtml

# Inergy Midstream Announces Non-Binding Open Season Starting September 29 to Transport Natural Gas on 325 MMcf/d North-South Project

 $\underline{http://beta.theflyonthewall.com/permalinks/entry.php/NRGYid1500872/NRGY-Inergy-LP-announces-nonbinding-open-season-NorthSouth-project-extension}$ 

## Update: Refinery Workers across France Decide Against Strike after Announced Closure at LyondellBassel's 105,000 b/d Berre L'Etang Refinery

Reuters, 08:20 September 30, 2011

#### Links

*This Week in Petroleum* from the U.S. Energy Information Administration (EIA) <a href="http://www.eia.gov/oog/info/twip/twip.asp">http://www.eia.gov/oog/info/twip/twip.asp</a>

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**

*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. EDT. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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