

U.S. DEPARTMENT OF ENERGY Office of Electricity Delivery and Energy Reliability

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Thursday Evening, October 08, 2009

Electricity

Update: Midwest Utilities Restore Power to Most affected Customers after Wind Storms **October 6-8**

Fewer than 11,000 customers remained without power in Michigan, Indiana, Illinois and Wisconsin, sources reported by October 8, after wind storms cut electricity to nearly 230,000 customers on October 6-7. Consumers Energy expected to restore service to most affected customers by the end of October 8, the company said in a statement. DTE expected to re-power its downed customers by tonight, a spokesman said. The following table lists peak and current outage figures, based on latest available data.

U.S. Midwest Customer Power Outages October 6 – October 8, 2009					
Electric Utility	State	Peak	Latest Reported		
Consumers Energy	MI	90,000	4,500		
DTE Energy	MI	90,000	4,000		
AEP	MI/IN	7,205	0		
Great Lakes Energy	MI	6,874	11		
Midwest Energy Cooperative	MI	1,200	0		
Commonwealth Edison	IL	19,000	1,900		
We Energies	WI	14,000	400		
NIPSCO	IN	1,500	44		
TOTAL*		229,779	10,855		

*Total outages only represent electric utilities listed in this table. Sources:

Consumers Energy: http://www.consumersenergy.com/Newsroom/NewsArticle.asp?ID=1626

DTE Energy: http://www.freep.com/article/20091008/NEWS05/91008021/1320/4-000-still-powerless-from-Wednesday-winds

AEP: <u>http://www.aepcustomer.com/outagemap/main.aspx?region=im</u>

Great Lakes Energy: http://www.gtlakes.com/news/newsdetail.aspx?itemID=136 http://www.gtlakes.com/countiesmap.aspx

Midwest Energy Cooperative: http://www.teammidwest.com/

Commonwealth Edison: http://www.comed.com/sites/customerservice/Pages/outagemap.aspx

http://www.suntimes.com/news/metro/1811280.com-ed-power-outage-wind-100709.article

We Energies: http://www.620wtmj.com/news/local/63660897.html

NIPSCO: http://www.nipscooutages.com/WSSNisourceOutageMap/outagemap.html?action=city

Update: Fewer than 10,000 U.S. East Coast Customers in the Dark after Wind Storms Knock out Power to more than 140,000 October 7-8

Utilities in New York, Maryland, Connecticut and New Jersey restored power to most customers after wind storms knocked out electricity to more than 143,000 customers by October 7, multiple sources reported. The following table lists peak and current outage figures, based on latest available data.

U.S. East Coast Customer Power Outages						
October 7 – October 8						
Electric Utility	State	Peak	Latest Reported			
Long Island Power Authority	NY	20,118	175			
Central Hudson Gas & Electric	NY	18,000	221			
National Grid	NY	10,658	488			
New York State Electric & Gas	NY	8,000	140			
Con Edison	NY	5,408	25			
Baltimore Gas & Electric	MD	32,000	184			
Connecticut Light & Power	СТ	23,000	286			
United Illuminating Company	СТ	4,200	5			
Jersey Central Power & Light	NJ	13,000	3,400			
Public Service Electric & Gas	NJ	7,000	2,000			
Atlantic City Electric	NJ	1,700	640			
TOTAL*		143,084	7,564			

*Total outages only represent electric utilities listed in this table.

Sources:

Long Island Power Authority: <u>http://www.lipower.org/stormcenter/outages/outagemap.html</u>

http://www.1010wins.com/High-Winds-Leave-Thousands-Without-Power-in-NYC/5383525

Central Hudson Gas & Electric: http://stormcentral.cenhud.com/

National Grid: https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx

New York State Electric & Gas: http://www.nyseg.com/OurCompany/News/2009/100809brewster7.html

Baltimore Gas & Electric: <u>http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0/</u> Connecticut Light & Power: <u>http://www.cl-p.com/outage/default.aspx</u>

United Illuminating Company: <u>http://www.uinet.com/uinet/connect/UINet/Top+Navigator/Customer+Care/Home-Residential/Storm+Center/Outage+Map/</u>

Connecticut Light & Power, United Illuminating Company:

http://www.connpost.com/ci 13508449?source=most viewed

Con Edison: http://apps.coned.com/weboutageinfo/stormcenter/default.aspx

Jersey Central Power & Light: http://www.courierpostonline.com/article/20091008/NEWS01/910080315/1006

Public Service Electric & Gas, Atlantic City Electric:

http://www.courierpostonline.com/article/20091008/NEWS01/910080315/1006

http://www.1010wins.com/High-Winds-Leave-Thousands-Without-Power-in-NYC/5383525

Atlantic City Electric: <u>http://www.atlanticcityelectric.com/home/emergency/maps/stormcenter/</u>

Luminant's 1,150 MW Comanche Peak Nuke Unit 2 in Texas Shut by October 8

The Nuclear Regulatory Commission reported that on the morning of October 7 the unit was operating at 99 percent. Information derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

Update: TVA's 1,118 MW Browns Ferry Nuke Unit 2 in Alabama at Full Power by October 8

The Nuclear Regulatory Commission reported that on the morning of October 7 the unit was operating at 89 percent. Information derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

Update: Energy Northwest's 1,107 MW Columbia Generating Station Nuke Unit in Washington at Full Power by October 8

The Nuclear Regulatory Commission reported that on the morning of October 7 the unit was operating at 65 percent. Information derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

Update: Southern's 856 MW Hatch Nuke Unit 1 in Georgia Ramped Up to 98 Percent by **October 8**

The company slowed the unit after a pump trip by October 5, a news source said. The Nuclear Regulatory Commission reported that on the morning of October 7 the unit was operating at 57 percent. http://www.forbes.com/feeds/afx/2009/10/08/afx6980418.html Information also derived from the NRC Power Reactor Status Reports:

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

Update: Exelon's 850 MW Dresden Nuke Unit 3 in Illinois Ramped Up to 93 Percent by **October 8**

The unit went offline due to a steam valve closure on October 3, a news source said. The Nuclear Regulatory Commission reported that on the morning of October 7 the unit was operating at 15 percent. http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN0815611420091008 Information also derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

Boost in Texas Wind Power to Pose Challenges for Other Electric Producers—Industry

Plans to boost Texas' wind power capacity to 18,500 MW by 2015 will force utilities to shutter aging gas-fired units, quickly reduce or raise output at coal-fired facilities, and construct simple-cycle gas plants, industry officials said at the Gulf Coast Power Association conference on October 7. The measures, according to the officials, will be necessary to avoid blackouts. Natural wind fluctuations will force other power plants to abruptly compensate for lost or gained power output, the officials said. The wind growth could also encourage development of gas-fired "peaker" plants, the sources indicated.

Reuters, 19:53 October 7, 2009

Smart Grid to Help U.S. Power Grid Incorporate Renewable Energy—FERC Chairman

Deploying "smart grid" systems in the U.S. power grid will reduce electric demand, and thus allow utilities to morecheaply install renewable energy sources, the chairman of the Federal Energy Regulatory Commission (FERC) said. The "smart grid's" demand response—its ability to automatically reduce or increase power delivery, based on need—could substitute for 20 percent of U.S. electric consumption, the chairman said. That dip in demand, he said, would make it easier for utilities to install renewable power sources, because companies would not need to also construct back-up, traditionally-fired power facilities.

Reuters, 21:51 October 7, 2009

Update: FPL Group Agrees to \$25 Million Civil Penalty after February 2008 Blackout in Florida

FPL Group agreed to improve its operations and pay a \$25 million civil penalty after a February 2008 blackout knocked out electricity to nearly 1 million customers in Florida, sources said. The Federal Energy Regulatory Commission (FERC) approved the plan, it said on its website. The company agreed "to enhance its training procedures and management processes, perform upgrades and add new protections to its system and improve its compliance program and transmission operations," FERC said in a statement. The blackout-in-question occurred on February 26, 2008; a substation fault cascaded through the system, forcing shut power lines and triggering an hourslong power outage across much of south Florida, according to FERC.

http://www.ferc.gov/news/news-releases/2009/2009-4/10-08-09.asp Bloomberg News, 11:52 October 8, 2009

Reuters, 11:11 October 8, 2009

Petroleum

Snags Slow Incoming Crude Supplies at Chevron's 45,000 b/d Salt Lake City, Utah **Refinery**—Industry Sources

Unspecified issues slowed oil deliveries into Chevron's 45,000 b/d Salt Lake City, Utah refinery by October 8, industry sources said. Separate sources said the company restarted a crude unit at the facility; that unit shut two weeks ago.

OPIS, 01:41 October 8, 2009

Update: Valero Shuts SMR Unit after Small Fire at 315,000 b/d Corpus Christi, Texas **Refinery October 7**

Valero shut a steam methane reforming unit (SMR) for maintenance after yesterday's small fire at the 315,000 b/d Corpus Christi, Texas refinery, according to a filing with state regulators and an earlier company statement. The fire also forced shut a hydrocracking unit, previous sources said. Valero expected the SMR unit to remain offline until October 10, it said in the regulatory filing.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130427 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130426 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130413 http://online.wsi.com/article/BT-CO-20091008-707852.html http://www.reuters.com/article/marketsNews/idUSN0747825320091007 http://www.reuters.com/article/rbssEnergyNews/idUSN0714670820091007 http://www.reuters.com/article/marketsNews/idUSSP47420120091007

Pump Malfunction Triggers Flaring at Valero's 182,000 b/d Delaware City, Delaware **Refinery by October 8—No Impact to Production, Company Says**

Cooling water pumps malfunctioned at Valero's 182,000 b/ d Delaware City, Delaware refinery by October 8, but a spokesman said the incident did not impact production. The event triggered flaring, he said. Separately at Delaware City, a Valero official said the company had shut the gasification and coker units due to economic conditions. Bloomberg News, 13:13 October 8, 2009

DJN, 09:45 October 8, 2009

Total Slows Cogen Turbine at 174,000 b/d Port Arthur, Texas Refinery October 8

Total expected to reduce a cogen turbine to its "lowest firing rate in order to fix a leaking exchanger," it said in a filing with state regulators. The company did not say when the unit would resume normal service. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130459 http://online.wsj.com/article/BT-CO-20091008-707852.html

Regenerator Temperature Drop Forces Brief FCC Shutdowns at Citgo's 156,000 b/d **Corpus Christi, Texas Refinery October 7**

Citgo briefly shut two gasoline-producing fluid catalytic cracking units (FCC) after a drop in regenerator temperature at its Corpus Christi, Texas refinery, the company said in a filing with state regulators. The incident lasted just 18 minutes, according to the filing.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130432 Reuters, 00:34 October 8, 2009

Alon Plans Ultra-Low-Sulfur Gasoline Unit at 67,000 b/d Big Spring, Texas Refinery

A source did not say when the unit would begin service. DJN, 12:15 October 8, 2009

Update: Kuwait Says Oil Production Increase on Track, Contrary to Previous Reports

Kuwait expects to boost its oil production capacity from 3 million b/d to 4 million b/d by 2020, contrary to previous reports that it had postponed its expansion plans by 10 years, the nation's Oil Minister said by October 7. http://www.rigzone.com/news/article.asp?a id=81173

U.S. Distillate Inventories Hit 26-Year High in Week of October 2-EIA

U.S. inventories of heating oil and diesel jumped 700,000 b/d, to a total 171.8 million barrels, in the week of October 2, the Energy Information Administration (EIA) said. The total outpaced analysts' expectations of a 300,000 barrel increase, and brought total stockpiles to their highest levels since January of 1983, a news source and the EIA said.

http://www.reuters.com/article/GCA-Oil/idUSTRE5965PS20091007

Update: MEND to Restart Attacks on Nigerian Oil Industry Next Week, Group Says

The Movement for the Emancipation of the Niger Delta (MEND) plans to restart attacks on the Nigerian oil industry, starting next week, the group said on October 7. A government-backed amnesty program had quelled violence in the region, but MEND's statement appeared to rebuff hopes of continued peace. MEND expects to attack a broad range of oil facilities, rather than limiting its strikes to pipelines, it said. Crude oil prices increased above \$70 on the New York Mercantile Exchange, in part because of the Nigerian news, a source said. http://www.google.com/hostednews/ap/article/ALeqM5i5TtajgUpSm7KY5jf-lCJGHBB-tAD9B6UE9O0

Shell Plans 3.5 Million Ton/Year LNG Platform Offshore Australia

Shell began site-specific design work for a 3.5 million ton/year liquefied natural gas (LNG) floating platform offshore Australia, the company said on October 8. It would be the first such operational facility in the world, a news source said. The site would receive natural gas from the offshore Prelude and Concerto blocks, located in Australia's Browse Basin, according to the news source. Shell planned to release a draft environmental impact statement on October 12, a spokeswoman said.

http://www.rigzone.com/news/article.asp?a_id=81187

Other News

MSHA Orders Nine Coal Mines to Enhance Health and Safety Conditions on October 7

MSHA (the Mine Safety & Health Administration) gave the mines 90 days to comply with the order. The affected coal mines are:

Mine Operator	Mine Name	State	
Black Beauty Coal Co.	Air Quality # 1 Mine	Indiana	
McCoy Elkhorn Coal Corp.	Mine #15	Kentucky	
Pleasant View Mining Co., Inc.	Richland No. 9	Kentucky	
Knox Creek Coal Corp.	Tiller No. 1	Virginia.	
Mountain Reclamation & Construction	Anna Branch	West Virginia	
Spartan Mining Co., Inc.	Ruby Energy	West Virginia	
Pine Ridge Coal Co., LLC	Big Mountain No.16	West Virginia	
Laurel Coal Corp.	Winifrede 12 Mine	West Virginia	
Mammoth Coal Co.	Slabcamp	West Virginia	

http://www.msha.gov/MEDIA/PRESS/2009/NR091007.asp

Mascoma Plans 20 MMGal/Yr. Cellulosic Ethanol Plant in Michigan

Mascoma Corp. plans to break ground in 2010 on a 20 MMGal/Yr. cellulosic ethanol plant in Kinross, Michigan, sources said. The company expects to begin production in early 2013, according to a news source. <u>http://www.mascoma.com/pages/sub_business03.php</u> <u>http://ethanolproducer.com/article.jsp?article_id=6029</u>

Update: Companies Return 12 Ethanol Plants to Service as Market Conditions Improve— EPM

Twenty-four ethanol plants, and a combined 1.45 billion gallons/year of production, remain offline in the United States, down from 36 facilities and 2.17 billion gallons/year of output in the spring of 2009, Ethanol Producer Magazine (EPM) said in its fall 2009 fuel ethanol plant map. The EPM credited improved market conditions for the restarts

http://ethanolproducer.com/article.jsp?article_id=6028

SuGanit Plans 20 MMGal/Yr. Biomass-Based Ethanol Plant in Ohio

SuGanit expects to begin production between the end of 2010 and the middle of 2011, a news source said. http://ethanolproducer.com/article.jsp?article_id=6022 http://www.toledofreepress.com/2009/05/29/toledo-joins-with-firm-to-test-ethanol-fuel/

Terra Bioenergy Plans 15 MMGal/Yr. Biodiesel Plant in Missouri

Terra Bioenergy plans to use mostly animal fat to generate 15 MMGal/Yr. of biodiesel, a news source said. http://www.stjoenews.net/news/2009/oct/06/county-willing-wait-repayment/?opinion

Cornhusker Energy Plans 110 MMGal/Yr. Expansion at Existing 40 MMGal/Yr. Lexington, Nebraska Ethanol Plant

Cornhusker Energy plans to increase production to 150 MMGal/Yr. at its current 40 MMGal/Yr. corn-based ethanol plant in Lexington, Nebraska, the company said on its website. http://www.cornhuskerenergy.com/c3/

Energy Prices

U.S. Oil and Gas Prices October 8, 2009					
	Today	Week Ago	Year Ago		
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	71.75	69.73	87.17		
NATURAL GAS Henry Hub \$/Million Btu	3.70	3.25	6.75		

Source: Reuters

Energy Notes

Update: Progress Energy Receives State Approval for 950 MW Gas-fired Power Plant in North Carolina—Company Would Also Shutter Three Coal-fired Power Units at Existing H.F. Lee Coal-fired Site

http://finance.yahoo.com/news/Progress-to-Replace-Coal-zacks-3323197310.html?x=0&.v=1

Oncor to Install more than 3 Million Smart Meters by 2012 in Texas—Company Has Already Installed more than 300,000 Meters

http://www.prnewswire.com/news-releases/oncor-landisgyr-reach-national-leadership-milestone-in-advancedmeters-63680562.html

Holly Plans to Install Two Steam-Producing Boilers at 25,050 b/d Woods Cross, Utah Refinery

http://www.downstreamtoday.com/news/article.aspx?a_id=18533

Illinois Attorney General Files Suit over August 6 Propane, Hydrofluoric Acid Discharge at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery—Incident Injured One Employee DJN, 10:54 October 8, 2009

Mexican Regulator Says Pemex Should Stop Work on Chicontepec Oil Field, Citing Technical Challenges

Reuters, 11:09 October 8, 2009

Citing Improved Finances, Suncor May Restart 68,000 b/d Firebag 3 in-situ Oil Sands Project in Alberta, Canada—Chief Executive http://www.reuters.com/article/rbssEnergyNews/idUSN0748048320091007

Enbridge Says Pre-Recession Oil Boom Triggered Potential 200,000-to-400,000 b/d Oversupply along Alberta-to-U.S. Crude Pipelines http://www.bloomberg.com/apps/news?pid=20601082&sid=amNtxHfNAF5A

Propane Truck Crashes, Spilling Fuel and Triggering Half-Mile-Radius Evacuation in New York October 6

http://www.poughkeepsiejournal.com/article/20091006/NEWS01/91006002/1006/Firefighters-evacuate-34-near-propane-truck-collision

 Turbine Shutdown at Goldsmith Gas Plant in Texas October 7

 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130460

Quest Plans 1.2 Million Tonnes/Year CO2 Capture Project at Bitumen Upgrader in Alberta, Canada

http://www.montrealgazette.com/technology/Alta+partner+with+Ottawa+fund+carbon+capture/2079699/story.html

Links

This Week in Petroleum from the Energy Information Administration (EIA) <u>http://tonto.eia.doe.gov/oog/info/twip/twip.asp</u> 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 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.

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

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