



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

# ENERGY ASSURANCE DAILY

Wednesday Evening, October 12, 2011

## *Electricity*

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### **Update: EPA is ‘Committed’ to Finalizing Mercury and Air Toxic Standards Despite Calls from 25 States to Delay the Rule**

The U.S. Environmental Protection Agency said in a release on Tuesday that it is “committed to completing the Mercury and Air Toxics Standards—the first-ever national standards for mercury, arsenic and other toxic air pollution from power plants.” In federal court on Monday, 25 states urged the EPA to delay for at least a year the rule, also known as the maximum achievable control technology rule, claiming the measure is too costly. The rule requires coal and oil-fired power plants to reduce emissions of mercury and acid gases, and it would force the retirement of an estimated 30,000–70,000 MW of coal-fired generation.

Reuters, 22:52 October 10, 2011

<http://af.reuters.com/article/energyOilNews/idAFN1E79A1EK20111011>

### **Turbine Trip Shuts Constellation’s 480 MW Ginna Nuclear Unit in New York October 12**

The Nuclear Regulatory Commission reported that late Tuesday night, the reactor tripped due to a turbine trip. Operators are investigating the cause of the turbine trip. On the morning of October 11 the unit was operating at full power.

<http://www.democratandchronicle.com/article/20111012/NEWS01/111012009>

Information also derived from the NRC Power Reactor Status Reports:

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20111012en.html>

### **Luminant’s 750 MW Martin Lake Coal-Fired Unit 1 Shut in Texas October 12**

According to a filing with the Texas Commission on Environmental Quality, the unit will be shut October 12 to repair a boiler feed discharge valve. The unit was shut last Saturday, October 8, for boiler tube repairs, and startup was planned through October 10–11.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160231>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160412>

### **Update: PG&E’s 1,087 MW Diablo Canyon Nuclear Unit 1 in California at Full Power by October 12**

The Nuclear Regulatory Commission reported that on the morning of October 11 the unit was operating at 67 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **Update: Delta Power’s 240 MW Crockett Cogen Gas-Fired Unit in California Returns to Service by October 11**

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201110111515.html>

### **Operational Glitch Briefly Shuts Gasoline Processing Unit at Suncor's 93,000 b/d Commerce City, Colorado Refinery October 9**

Suncor said on Wednesday that an operational issue shut one of its gasoline processing units for a short period of time on Sunday, but the unit was back up and running on Monday evening. The glitch did not have a material impact on production, the company said.

Reuters, 11:48 October 12, 2011

### **Update: ExxonMobil Resumes Normal Operations at Its 192,500 b/d Chalmette, Louisiana Refinery October 11**

On Monday night a lack of oxygen supply tripped a sulfur unit at the plant, which is a joint venture between ExxonMobil and PDVSA.

Reuters, 07:33 October 11, 2011

Reuters, 14:18 October 11, 2011

### **Update: Petrobras's 100,000 b/d Pasadena, Texas Refinery to Remain Shut through End of October for CDU Repairs Following Fire on September 30**

Petrobras said on Tuesday that it expects its Pasadena, Texas refinery to remain shut through the end of the month while it repairs its crude distillation unit (CDU), which was damaged in a fire September 30. Earlier yesterday it was reported that the refinery would remain shut for 2-4 weeks. Only the refinery's delayed coking unit has been in operation since the fire. A company spokeswoman said the refinery was operating with limited runs but did not provide details.

Reuters, 18:33 October 11, 2011

### **Broken Boiler Triggers Flaring at PBF Energy's 182,200 b/d Delaware City, Delaware Refinery**

Reuters, 20:16 October 11, 2011

## **Natural Gas**

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### **Update: DOE Authorizes Dominion to Export 1 Bcf/d from Cove Point LNG Terminal in Maryland to Free Trade Countries**

Dominion Cove Point received authorization on October 7 from the U.S. Department of Energy (DOE) to enter into multi-year contracts up to 25 years long to export up to 1 billion cubic feet per day of liquefied natural gas to countries that have free trade agreements with the United States. Dominion had filed for permission on September 1. On October 3, 2011, Dominion filed a second application with DOE to requests authorization to export to any country not specifically prohibited from trade with the United States. Dominion would have to convert its existing Cove Point LNG import terminal into a bidirectional facility by adding liquefaction facilities. The terminal would continue to import LNG and vaporize it as natural gas, but it would also liquefy natural gas and export it as LNG. Pending regulatory approvals, the company says it could potentially begin construction in 2014 and exports in 2016.

<http://dom.mediaroom.com/index.php?s=43&item=1038>

<http://www.dom.com/business/gas-transmission/cove-point/lng-exports.jsp>

### **Update: UGI Energy Services Starts Pipeline Operations from Citrus Energy Gathering System to Tennessee Gas Pipeline in Pennsylvania**

UGI Energy Services Inc. announced today that locally produced gas began flowing on October 10 from its gathering project with Citrus Appalachian Energy LLC to Tennessee Gas Pipeline Company's interstate pipeline in Susquehanna County, Pennsylvania. The pipeline transports approximately 60 MMcf/d of gas produced from the Marcellus Shale and is expected to transport twice that amount, 120 MMcf/d, over the next several months as UGIES installs additional facilities.

<http://eon.businesswire.com/news/eon/20111011007179/en/UGI-subsiidiary-announces-commencement-pipeline-operations-Citrus>

### **OE, EIA, and NASEO Hold 2011 – 2012 Winter Fuels Outlook Conference October 12**

The U.S. Department of Energy's Office of Electricity Delivery and Energy Reliability (OE), U.S. Energy Information Administration (EIA), and the National Association of State Energy Officials (NASEO) held the 2011 – 2012 Winter Fuels Outlook Conference on October 12. This important supply and demand forecast event addressed global oil supply uncertainty and the effects of projected winter weather on the demand for heating and key transportation fuels. A range of market factors that may impact the supply, distribution, and prices of petroleum, natural gas, and electricity this winter were discussed in great detail by some of the nation's leading energy data and forecasting experts. Topics and speakers included:

- **Welcome and Opening Remarks** were delivered by David Terry, Executive Director, National Association of State Energy Officials and The Honorable William Bryan, Deputy Assistant Secretary for Infrastructure Security and Energy Restoration, OE.
- **Winter Weather Forecast** was presented by Michael Halpert, Deputy Director, Climate Prediction Center, National Oceanic and Atmospheric Administration.
- **World Oil and Securities Overview** was presented by Edward L. Morse, Managing Director, Global Head of Commodity Research, CitiGroup Global Markets, Inc.
- **EIA's 2011 – 2012 Winter Heating Fuels Overview** was presented by Howard Gruenspecht, Acting Administrator, EIA.
- **Natural Gas Demand and Supply Trends and Forecast** was presented by Kevin Petak, Vice President of Gas Market Modeling, ICF International.
- **Ultra-Low Sulfur Diesel and Its Potential Consequences to Heating Oil Markets** was presented by John Huber, President, National Oilheat Research Alliance.
- **Cybersecurity and the U.S. Electric System** was presented by Tom Gann, Vice President of Government Relations, McAfee, Inc.
- **Propane Demand and Supply Trends and Forecast** was presented by Gerry Goobie, Managing Consultant, Purvin and Gertz, Inc.
- **State Energy Assurance Planning – Status of State Planning and Lessons Learned in Enhancing Resiliency** was presented by Jeffrey Pillon, Director, Energy Assurance Programs, NASEO, Alice Lippert, Senior Technical Advisor, OE, Robert Mielish, Energy Assurance Program Manager, North Carolina State Energy Office, and David St. Jean, Energy Assurance Planning Manager, Maryland Energy Administration.

<http://www.naseo.org/events/winterfuels/2011/agenda.htm>

[http://www.eia.gov/emeu/steo/pub/contents.html#Winter\\_Fuels](http://www.eia.gov/emeu/steo/pub/contents.html#Winter_Fuels)

### **DOE and FERC to Cooperate in Reviewing Proposed Electric Transmission Projects**

U.S. Energy Secretary Steven Chu announced Tuesday that the Department of Energy (DOE) will work more closely with the Federal Energy Regulatory Commission (FERC) in reviewing proposed electric transmission projects under section 216 of the Federal Power Act, as an alternative to delegating additional authority to FERC. In particular, DOE and FERC will work together to prepare drafts of the following:

- (1) Transmission congestion studies mandated by Congress;
- (2) Supplements to those congestion studies based on, among other things, the transmission plans prepared pursuant to Orders 890 and 1000; and
- (3) The environmental analyses for any proposed National Interest Electric Transmission Corridors.

<http://energy.gov/articles/doe-and-ferc-joint-public-statement-back-stop-siting>

### **Obama Administration to Expedite Permitting Process for 14 Infrastructure Projects around the United States, Includes Wind-Generation and O&G Projects**

On October 11, the Obama Administration announced the selection of 14 infrastructure projects around the country that will be expedited through permitting and environmental review processes. The list of 14 projects includes three selected by the Department of Agriculture:

- USDA Forest Service is working with an expedited process for reviewing oil and gas applications for wells and ancillary facilities such as pipelines and power lines in the Dakota Prairie and Little Missouri National Grasslands. There are approximately 80 applications currently in file.
- A wind generation project by Cleghorn Ridge Wind LLC would consist of up to 52 wind turbine generators along the ridgeline at Cleghorn Ridge, in the San Bernardino National Forest.
- A wind generation facility by Deerfield Wind LLC in the towns of Searsburg and Readsboro in the Green Mountain National Forest in Vermont would consist of fifteen 2 MW turbines.

<http://www.whitehouse.gov/the-press-office/2011/10/11/obama-administration-announces-selection-14-infrastructure-projects-be-e>

## Energy Prices

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U.S. Oil and Gas Prices October 12, 2011			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	85.58	78.40	81.72
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.52	3.56	3.43

Source: Reuters

## Energy Notes

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### **Four Contractors Exposed to Small Amount of Hydrofluoric Acid during Planned Work on Alkylation Unit at Marathon's 212,000 b/d Catlettsburg, Kentucky Refinery October 11**

Reuters, 08:22 October 12, 2011

## 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 & 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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