



ENERGY ASSURANCE DAILY

Friday Evening, October 14, 2011

Major Developments

TransCanada Shuts 591,000 b/d Keystone Crude Pipeline Due to Supply Backlog October 13; Returns the Line to Service October 14

TransCanada Corp. said on Friday that it shut its Keystone pipeline on Thursday because of a supply backlog caused by a lack of storage at an Enbridge storage terminal in Superior, Wisconsin. This backup slowed volumes on the line and prevented TransCanada's shippers from moving oil to the Keystone starting point in Hardisty, Alberta.

TransCanada restarted the line Friday after a day-long shutdown. The Keystone pipeline starts at the Hardisty, Alberta terminal and extends to southern Illinois and to the company's Cushing, Oklahoma storage hub.

DJN 11:22 October 14, 2011

Reuters, 12:04 October 14, 2011

Electricity

Severe Weather Knocks Out Power to over 26,000 Georgia Power, Alabama Power, and South Carolina Electric and Gas Customers October 13

Severe weather with wind gusts as high as 60 mph late Thursday afternoon and early evening knocked out power to customers in Georgia, Alabama, and South Carolina. Georgia Power Co. reported that at least 18,000 customers were without power in Augusta, and 2,000 customers lost power in central Georgia. As of 5:00 AM Friday, less than fifty customers were still without power. Alabama Power reported a peak of 5,000 customers without power Thursday afternoon, but nearly all had their electrical service restored later that evening. South Carolina Electric and Gas reported that 1,305 customers lost power in its Georgia service territory, and another 140 outages were reported in Edgefield, South Carolina and McCormick, South Carolina as of 6:30 PM Thursday.

<http://chronicle.augusta.com/latest-news/2011-10-13/powerful-storms-sweep-through-augusta-region?v=1318568560>

<http://www.13wmaz.com/news/article/148132/175/Hundreds-Without-Power-After-Thursday-Storms>

<http://www2.wrbl.com/news/2011/oct/13/4/more-5000-without-power-lee-county-ar-2551183/>

Update: Duke Energy's 1,129 MW Catawba Nuclear Unit 2 in South Carolina Reduced to 46 Percent by October 14

The Nuclear Regulatory Commission reported that on the morning of October 13 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/2011/>

Update: NextEra's 493 MW Blythe Gas-Fired Unit in California Returns to Service by October 13

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 253 MW on October 12.

<http://content.aiso.com/unitstatus/data/unitstatus201110131515.html>

AES's 498 MW Alamos Gas-Fired Unit 5 in California Shut by October 13

According to the California Independent System Operator, the unit reported an unplanned outage on October 13.

<http://content.aiso.com/unitstatus/data/unitstatus201110131515.html>

AES's 225 MW Huntington Beach Gas-Fired Unit 3 in California Shut by October 13

According to the California Independent System Operator, the unit reported an unplanned outage on October 13.

<http://content.aiso.com/unitstatus/data/unitstatus201110131515.html>

Update: TMPA to Restart 462 MW Gibbons Creek Coal-Fired Unit 1 in Texas after Boiler Repairs October 14

The Tampa Municipal Power Authority (TMPA) plans to restart on Friday the unit it shut early on Thursday to repair a boiler tube leak.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160479>

Update: Loss of Power Trips Luminant's 750 MW Martin Lake Coal-Fired Unit 2 in Texas October 13; 750 MW Coal-Fired Unit 1 to Restart after Boiler Repairs October 14-15

According to a filing with the Texas Commission on Environmental Quality, Unit 2 tripped on October 13 due to a loss of power to the motor control center, which tripped the boiler feed pump. Operators relit the boiler and restarted the unit later that day. In a second filing, Luminant said it plans to restart Unit 1, which it shut on October 12 to repair a boiler feed discharge valve.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160418>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160518>

Texas Regulators Remain Concerned that EPA Air Pollution Rule Could Lead to Increased Rolling Blackouts, despite Modest Increase in Permitted Emissions Proposed Last Week

Reuters, 17:56 October 13, 2011

Petroleum

Power Failure Briefly Affects Several Units at Alon's 67,000 b/d Big Spring, Texas Refinery October 13

Alon operators reported that a power failure Thursday affected part of its Big Spring Refinery. According to the filing with the Texas Commission on Environmental Quality, the power failure resulted from Oncor losing a transformer. Emissions were routed to control devices, and operators restored operations.

Reuters, 19:06 October 13, 2011

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160539>

Update: 20 Percent Reduction in Diesel Output from CO-OP's 100,000 b/d Regina, Saskatchewan Refinery to Last until May 2012

Consumers' Co-operative Refineries Ltd. (CO-OP) announced Friday that it expects a 20 percent reduction in its diesel output to last until May 2012. An explosion and fire on October 6 damaged the refinery's middle distillate unit. Gasoline production was still reduced by 50 percent on Friday, but operators expected gasoline production to return to 90 percent of its normal rate this weekend.

Reuters, 12:15 October 14, 2011

Update: Hydrogen Cyanide Release Continues from Catalytic Cracker at PBF Energy's 182,200 b/d Delaware City, Delaware Refinery October 13

PBF Energy initially reported that a failure of a catalytic cracker carbon dioxide boiler led to a release of hydrogen cyanide on October 2, 2011. On Tuesday and Wednesday, PBF reported that the releases were ongoing. PBF estimates that 200 pounds of hydrogen cyanide were released in a 24-hour period.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=992334

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=992471

SRU Glitch Leads to Flaring at Valero's 135,000 b/d Wilmington, California Refinery

Valero Energy Corp said on Friday that an issue with the sulfur recovery units (SRU) led to flaring but did not have any material impact on production.

Reuters 11:29 October 14, 2011

North Dakota Oil Production Rises to More than 444,000 b/d in August, over 34 Percent Higher than Rates a Year Ago

North Dakota oil production in August rose above 444,000 b/d, which is a 19,000 b/d increase from the previous month and a 34.58 percent increase from August rates a year ago, according to data from the North Dakota Industrial Commission. The increase is due in part to heated drilling activity in the area, particularly the Bakken oil prospect, to make up for time during spring floods of the Missouri River.
Reuters, 16:29 October 13, 2011

Update: Yemen's 125,000 b/d Oil Export Pipeline Remains Shut as Tribal Groups Prevent Access to Explosion-Damaged Segments

Yemen's main crude export pipeline from Marib to the Ras Issa port on the Red Sea has been shut down since tribesmen blew it up on October 8, the sixth act of sabotage on the pipeline this year. Typically the pipeline has been repaired within 24–48 hours without impacting production. Workers haven't yet repaired the pipeline after the most recent attack, because tribal groups are preventing access to the damaged portions of the pipeline. It is difficult to predict when production will resume. The extended pipeline outage has forced the shutdown of at least one Yemeni oil field, the 9,000 b/d An Nagyah field.

DJN, 11:02 October 14, 2011

http://zeenews.india.com/news/world/blast-hits-yemen-s-main-oil-pipeline-tribals_735359.html

<http://english.cri.cn/6966/2011/10/07/2021s661557.htm>

Damaged Ras Lanuf Oil Facilities Delay Start-Up of 70,000 b/d Nafoura Field in Libya

Unspecified damages to facilities at Libya's Ras Lanuf oil complex are delaying the ramp-up of the country's 70,000 b/d Nafoura field, an official from Arabian Gulf Oil Co., which operates the field, said Thursday. Production at the Nafoura field resumed October 5 and has reached 20,000 b/d, but it can't reach its full capacity of 70,000 b/d until the Ras Lanuf oil complex, which includes a refinery and a crude-oil export terminal, comes fully online. Reports have previously indicated that the refinery sustained some damages, but it's unclear when the facilities will become fully operational.

<http://www.marketwatch.com/story/damage-delays-start-up-at-libya-oil-field-2011-10-13?siteid=yhoof>

Natural Gas

Encana, Pembina Pipeline to Expand Resthaven Gas Processing Plant in Alberta to Increase NGL Extraction by 12,000 b/d

Encana Corporation announced on Friday its plans to partner with Pembina Pipeline Corporation in expanding the processing and liquids extraction capacity of the Resthaven natural gas processing plant in west-central Alberta. The first in a two-phase expansion is planned to come into service by late 2013 and will increase extraction of natural gas liquids (NGLs) from 1,000 b/d to 8,000 b/d. The second phase will increase expansion by an additional 4,000 b/d. Over the next several years, Encana expects to triple its NGL extraction from 10,000 b/d to about 30,000 b/d by partnering with third-party midstream companies at three Alberta Deep Basin plants, including the 12,000 b/d expansion at Resthaven, a 5,000 b/d expansion at Musreau, and a 3,000 b/d increase at Gordondale.

<http://www.encana.com/news/newsreleases/2011/1014-resthaven-ngl.html>

Canadian Regulators Grant License to Kitimat LNG to Export LNG from British Columbia to International Markets

Kitimat LNG partners Apache Canada Ltd., EOG Resources Canada Inc., and Encana Corporation today announced that the Canadian National Energy Board has granted Kitimat LNG a 20-year export license to ship liquefied natural gas (LNG) from Canada to international markets. The Kitimat LNG partners are currently carrying out a feasibility study for the project that they expect to complete by early in 2012. If built, the terminal could ship 1.4 billion cubic feet of natural gas per day to markets in Asia by late 2015.

http://www.downstreamtoday.com/news/article.aspx?a_id=28258

http://mediacenter.kitimatlngfacility.com/Mediacenter/view_press_release.aspx?PressRelease.ItemID=2816

Atlas Pipeline WestTex's Driver Compressor Station Venting Due to Maintenance Shutdown of Downstream Gas Plant in Texas October 13

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160540>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
October 14, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	86.46	82.02	83.09
NATURAL GAS Henry Hub \$/Million Btu	3.42	3.49	3.58

Source: Reuters

Energy Notes

Contractors Discover Small Crack in Concrete Shell at FirstEnergy's Davis-Besse Nuclear Plant in Ohio while Installing New Reactor Head

<http://www.ohio.com/business/crack-in-concrete-shell-discovered-at-firstenergy-s-davis-besse-nuclear-plant-1.240021>

ConocoPhillips Reports Accident Injuring One Worker at Its 238,000 b/d Bayway, New Jersey Refinery Did Not Impact Operations

Reuters, 23:20 October 13, 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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