ENERGY ASSURANCE DAILY

Thursday Evening, October 21, 2010

Electricity

Equipment Failure Knocks Out Power to 97,225 SCE Customers in California October 19

An equipment failure at a substation knocked out power to 97,225 Southern California Edison (SCE) customers in California on October 19, but the company restored power to all but 2,593 in less than three hours. http://agourahills.patch.com/articles/power-outage-hits-nearly-100k-homes

Update: Wolf Creek's 1,165 MW Wolf Creek Nuclear Unit 1 in Kansas at Full Power by October 21

The unit tripped on October 17 "due to low steam generator level," the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The unit was returning from "a forced outage" at the time of the incident. The NRC reported that on the morning of October 20 the unit was operating at 28 percent.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101018en.html

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/

Update: PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey Ramped Up to 56 Percent by October 21

The unit shut automatically on October 17 "due to 4 kV group bus under voltage," the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of October 20 the unit was operating at 36 percent.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101018en.html

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/

Update: Southern's 870 MW Hatch Nuclear Unit 2 in Georgia Ramped Up to 98 Percent by October 21

The Nuclear Regulatory Commission reported that on the morning of October 20 the unit was operating at 64 percent.

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/

Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York at Full Power by October 21

Entergy shut the unit by October 15 "due to vibration in the feedwater condensate system," Reuters said previously, citing a plant spokeswoman. The unit was returning from a refueling outage, prior to the shutdown. The Nuclear Regulatory Commission reported that on the morning of October 20 the unit was operating at 83 percent.

http://www.reuters.com/article/idUSN1522427320101015

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/

Update: Xcel to Restart 347 MW Harrington Coal-Fired Unit 2 in Texas October 21-23

Xcel planned to restart the unit on October 21-23 "after a short maintenance outage to repair tube leaks and other minor maintenance items," it said in a filing with state regulators. The company had expected to shut the unit on October 20, according to a previous filing.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146333 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146331

TradeWind Energy Plans 125 MW Rocky Ridge Wind Project in Oklahoma

TradeWind Energy, LLC plans to break ground within six months and open the project in January 2012. http://www.tradewindenergy.com/WorkArea/showcontent.aspx?id=2024

Noble Environmental Power Plans 99 MW Granite Reliable Power Windpark in Coos County, New Hampshire

The facility is expected to enter service by November 2012.

http://www.noblepower.com/our-windparks/CoosCounty/index.html

http://finance.yahoo.com/news/CVPS-and-GMP-Sign-Wind-iw-1536140506.html?x=0&.v=1

Update: Xcel Considers Mothballing 352 MW Cherokee Coal-Fired Unit 4 in Colorado in 2017. Instead of 2022

Xcel is studying the costs and feasibility of mothballing its 352 MW Cherokee coal-fired Unit 4 in Colorado five years ahead of schedule; the company plans to complete the review next week, a spokesman said on October 20. The company, as directed by state law, recently filed a \$1.3 billion plan to reduce nitrogen oxide emissions. The law, however, required the company to implement its plan by 2017. Since the Cherokee closure would not occur until 2022 – or five years after the deadline – the Colorado Independent Energy Association said Xcel's proposal was not in compliance.

http://finance.yahoo.com/news/Xcel-explores-earlier-closure-apf-1543231486.html?x=0&.v=2

Petroleum

Compressor Trip Leads to Flaring at ExxonMobil's 567,000 b/d Baytown, Texas Refinery October 20

ExxonMobil reduced two pipe still units to minimum rates after a "compressor trip" led to flaring at its 567,000 b/d Baytown, Texas refinery on October 20, the company said in a filing with state regulators. The incident did not impact production. The company reported a similar event at the facility on October 20; it was not clear if the disruptions were related.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146393 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146247

Update: Valero Resumes Normal Operations after Compressor Snag at 80,887 b/d Wilmington, California Refinery October 19-21

Valero returned the facility to normal operations by October 21 after a compressor shutdown triggered flaring on October 19, the company said. The incident did not impact production, according to the company. Reuters, 12:45 October 21, 2010

Update: Chevron Sanctions Jack/St. Malo Oil-and-Gas Project in Deepwater U.S. Gulf of Mexico

Chevron plans to begin production in 2014 at the Jack/St. Malo oil-and-gas project in the deepwater U.S. Gulf of Mexico, the company said on October 21. The project, located about 280 miles south of New Orleans, Louisiana, will be comprised of three subsea centers tied back to a hub production facility with a capacity of 170,000 b/d of oil and 42.5 MMcf/d of natural gas. The fields are estimated to contain combined total recoverable resources in excess of 500 million boe.

 $\underline{http://www.chevron.com/chevron/pressreleases/article/10212010_chevronsanctionsjackstmaloprojectinthegulfofmex}\\\underline{ico.news}$

Update: ExxonMobil Commissions ULSD Units at 576,000 b/d Baytown, Texas and 504,000 b/d Baton Rouge, Louisiana Refineries by October 21

The units will produce more than 70,000 b/d of ultra low sulfur diesel (ULSD).

http://www.businesswire.com/portal/site/exxonmobil/index.jsp?ndmViewId=news_view&ndmConfigId=1001106&newsId=20101021006058&newsLang=en

Update: Port Strikes Enter 25th Day as Broader Protests Continue to Cripple Refinery Operations in France October 21

Striking workers continued to block access to oil refineries, fuel depots, and the Fos Lavera and Marseilles ports in France on October 20-21, prompting 25 percent of the nation's fuel stations to run dry of diesel and gasoline and leading police to forcibly remove protestors from 20 fuel depots, multiple news and official sources reported. All 11 of France's operating refineries – representing 1.84 million b/d of capacity – were either shut, shutting, or reduced by October 21, according to Bloomberg News. Petroplus's 68,000 b/d Cressier refinery in Switzerland was also curtailed, as of latest reports.

 $\frac{http://www.google.com/hostednews/ap/article/ALeqM5jHwKItnbAIyqYgOTdXgs7J7s4G0A?docId=69a62ca14a0a}{41e88a69a356d50d3af8}$

http://www.euronews.net/2010/10/21/french-police-clear-fuel-depot-protests/

http://www.nasdaq.com/aspx/stock-market-news-

story.aspx?storyid=201010210702dowjonesdjonline000409&title=french-fos-lavera-oil-terminal-strike-into-25th-daytankers-stranded

http://www.bloomberg.com/news/2010-10-21/french-workers-strikes-lead-to-oil-refinery-shutdowns-table-.html

After October 20 Snag, Statoil to Begin Restarting Troll B Oil Platform in Norwegian North Sea October 21

A power outage forced shut the platform on October 20. The Troll B and C platforms are slated to produce 113,000 b/d of oil, combined, in 2010, the Norwegian Petroleum Directorate says.

Reuters, 04:14 October 21, 2010

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Nothing to report.

Other News

USDA to Resume Payments to Eligible Producers of Biomass Crops for Renewable Energy Consumption

The U.S. Department of Agriculture (USDA) has published a final rule to implement the Biomass Crop Assistance Program (BCAP), Secretary Tom Vilsack said on October 21. The program had operated as a pilot, pending publication of the final rule. Under the final rule, USDA will resume making payments to eligible producers. BCAP is intended to support new, non-food, non-feed biomass crops in anticipation of future demand for renewable energy consumption. It provides assistance for the establishment and production of eligible renewable biomass crops within specified project areas. Producers who enter into BCAP contracts may receive payments of up to 75 percent of the cost of establishing eligible perennial crops. Further, they can receive payments for up to five years for annual or non-woody perennial crops and up to 15 years for woody perennial crops. In addition, BCAP also assists agricultural and forest landowners and operators by providing matching payments for the transportation of certain eligible materials that are sold to qualified biomass conversion facilities. The facilities convert the materials into heat, power, biobased products or advanced biofuels.

 $\frac{\text{http://www.usda.gov/wps/portal/usda/!ut/p/c5/04}}{\text{sB8K8xLLM9MSSzPy8xBz9CP0os}} \ \text{gAC9-wMJ8QY0MDpxBDA09nXw9DFxcXQ-}}$

 $\frac{cAA_1wkA5kFaGuQBXeASbmnu4uBgbe5hB5AxzA0UDfzyM_N1W_IDs7zdFRUREAZXAypA!!/dl3/d3/L2dJQSEvUUt3QS9ZQnZ3LzZfUDhNVlZMVDMxMEJUMTBJQ01IMURERDFDUDA!/?contentidonly=true&contentid=2010%2F10%2F0545.xml$

USDA to Subsidize Five Biorefineries and Bioenergy Facilities, as Well as 10,000 Blender Pumps and Biofuel Storage Tanks: Secretary Vilsack

http://af.reuters.com/article/energyOilNews/idAFN2119455020101021

Dupont, Danisco Plan 25-50 MMGal/Yr. Cellulosic Ethanol Plant in Nevada or U.S. Midwest

The facility would process corn stover. It would initially produce 25-50 MMGal/Yr. of ethanol, but would be expandable to 100 MMGal/Yr., according to the state of Iowa.

http://www.desmoinesregister.com/article/20101021/BUSINESS01/10210335/-

1/GETPUBLISHED03SCRIPTS/Story-Webster-counties-under-consideration-for-new-biorefinery

Energy Prices

U.S. Oil and Gas Prices October 21, 2010					
	Today	Week Ago	Year Ago		
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	80.09	83.09	80.89		
NATURAL GAS Henry Hub \$/Million Btu	3.46	3.58	4.60		

Source: Reuters

Energy Notes

Equipment Failure Cuts Electricity to 6,700 Moultrie Utilities Customers, 1,600 Georgia Power Customers, and 8,500 Colquitt EMC Customers in Georgia October 19 http://moultrieobserver.com/local/x693284263/Equipment-failure-caused-power-outage

Lightning Strikes Substation, Knocks Out Power to 13,594 SCE Customers in California October 19

http://www.ocregister.com/news/vehicle-271796-chp-traffic.html?nstrack=sid:725631|met:102300|cat:0|order:1

Update: Secretary of the Interior Salazar Approves Tessera Solar's Proposed 663.5 MW Calico Solar Power Project on U.S. Public Lands in California October 20 http://www.doi.gov/news/pressreleases/Salazar-Approves-Fifth-Solar-Project-on-Public-Lands.cfm

SCE Finalizes Agreement with DOE for \$25 Million Stimulus Grant to Demonstrate Lithium-Ion Battery Storage for Wind-Derived Energy http://www.edison.com/pressroom/pr.asp?id=7482

International Power Canada Plans 48.6 MW Pointe-Aux-Roches Wind Farm in Lakeshore, Ontario – Project Expected to Be Finished in 2011

 $\frac{http://www.prnewswire.com/news-releases/manulife-arranges-117-million-in-financing-for-486mw-wind-farm-in-southwestern-ontario-105434143.html$

Beaver Wood Energy LLC Plans 29.5 MW Biomass Power Plant in Pownal, Vermont http://www.benningtonbanner.com/local/ci_16395090

University of Texas Researcher Demonstrates Ability to Disrupt Syncrophasor Signal Process – DOE and NERC Plan to Install Syncrophasors throughout United States as Part of Smart Grid Rollout

http://www.nextgov.com/nextgov/ng 20101018 4273.php?oref=topnews

Gas Tanker Car Leaks Unspecified Quantity of Gas for at Least Five Hours along Rail Line in Maine October 19-20

http://www.wmtw.com/r/25448148/detail.html

Small Quantity of Crude Oil Found in Water Pipeline to Port of Long Beach, California October 20 – Workers Searching for Source of Leak

http://www.contracostatimes.com/california/ci 16387905?nclick check=1

Increased Efficiency in Light-Duty Vehicles Likely to Cause Decrease in U.S. Petroleum-Based Gasoline Consumption over Next Five Years – U.S. Refiners to See Greater Distillate Demand, and Likely Have Ability to Significantly Increase Distillate Yields: EIA http://www.eia.gov/oog/info/twip/twip.asp?src=email

Colombian Oil Production Surges to Decade-High 798,000 b/d in September 2010, or 17.4 Percent Higher than in September 2009: National Hydrocarbons Agency Reuters, 12:19 October 21, 2010

Number of Pirate Attacks Rises by Nearly 60 Percent in Asia over First Nine Months of 2010, Compared to Same Stretch in 2009: ReCAAP Information Sharing Center http://www.downstreamtoday.com/news/article.aspx?a_id=24371

Petrodelta's El Salto Field in Venezuela Contains Estimated 7.1 Billion Barrels of Total Gross Oil-in-Place

 $\underline{\text{http://www.prnewswire.com/news-releases/harvest-natural-resources-announces-another-increase-in-venezuelan-reserves-} 105421028.html$

Operators Restart AGI Compressor after Snag at Waha Gas Plant in Texas October 20 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146388

Electricity Generation Capacity from Natural Gas Power Plants Will Surpass Coal Power Plants over Next Decade: NERC

http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Coal/6533929

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 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

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

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