ENERGY ASSURANCE DAILY

Monday Evening, November 01, 2010

Electricity

Exelon's 850 MW Dresden Nuclear Unit 3 in Illinois Shut by November 1

The Nuclear Regulatory Commission reported that on the morning of October 31 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/2010/

Delta Energy Center, LLC's 880 MW Delta Energy Center Gas-Fired Unit in California Reduced by October 31

According to the California Independent System Operator, the unit reported an unplanned curtailment of 300 MW by October 31.

http://www.caiso.com/unitstatus/data/unitstatus201010311515.html

CDWR's 210 MW Pine Flat Hydro Unit in California Shut by October 30

According to the California Independent System Operator, the unit reported an unplanned outage by October 30. http://www.caiso.com/unitstatus/data/unitstatus201010301515.html

Update: Dominion's 925 MW North Anna Nuclear Unit 1 in Virginia Ramped Up to 45 Percent by October 31

Dominion shut the unit on October 22 "during physics testing due to problems with the rod control in hold out switch," the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of October 30 the unit was operating at 20 percent.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101025en.html

http://www.fredericksburg.com/News/FLS/2010/102010/10262010/584102

Information also derived from the NRC Power Reactor Status Reports:

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

FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Reduced to 80 Percent by November 1

The Nuclear Regulatory Commission reported that on the morning of October 31 the unit was operating at full power

Information derived from the NRC Power Reactor Status Reports:

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

After Brief Shutdown, Luminant to Restart 793 MW Martin Lake Coal-Fired Unit 2 in Texas October 31

The unit shut on October 30-31 "due to a phase differential in the electrical relays of the main turbine generator," Luminant said in a filing with state regulators. The company expected to restart the unit on October 31, according to a separate filing.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146820 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146817

U.S. Wind Industry Adds Just 395 MW of New Capacity in Third Quarter of 2010

The U.S. wind industry added just 395 MW of wind-powered electric generating capacity in the third quarter of 2010, and installed just 1,634 MW of new wind capacity over the first nine months of the year, the American Wind Energy Association (AWEA) said on October 29. The 395 MW figure marked the lowest quarterly total since 2007, and the 1,634 MW of new capacity represented a 72 percent decline from 2009. Wind accounted for 39 percent of new electric capacity in 2009, versus 13 percent from coal; in the first nine months of 2010, however, the ratio flipped, and wind accounted for only 14 percent, versus 39 percent from coal, AWEA said, citing data from the U.S. Energy Information Administration and other third-party sources. The United States, according to AWEA, is installing wind projects in 2010 at half the rate as in Europe, and at a third the rate as in China. The AWEA blamed the slowdown, in part, on a lack of long-term U.S. energy policies, and a resulting lack of certainty for business. http://www.awea.org/newsroom/releases/10/29/10/third_quarter_report.html

Update: PGE Requests Oregon Regulatory Okay to Shut 585 MW Boardman Coal-Fired Power Plant in 2020

Portland General Electric asked the Oregon Department of Environmental Quality (DEQ) to remove the company's option to keep the 585 MW Boardman coal-fired power plant open until 2040, and instead approve the company's proposal to shut the facility in 2020. PGE had already filed with the DEQ for permission to install new pollution-control equipment and then shut the Boardman plant in 2020, but the company also said previously that it would likely continue to operate the facility until 2040, should the DEQ reject its plans. The latest request, however – part of a deal between the company and numerous environmental and other organizations – would dispose of the 2040 option. PGE also agreed with the groups that it would attempt to replace the lost capacity with renewable-based electricity.

http://sustainablebusinessoregon.com/articles/2010/10/pge-seeks-to-eliminate-boardman-2040.html http://www.portlandgeneral.com/community_environment/initiatives/boardman_plant_air_emissions.aspx

Ocean Renewable Plans to Install More than 100 MW of Tidal Turbines Offshore Maine

Ocean Renewable Power Company plans to launch the project in 2011, but initially produce far less than 100 MW. The company would deliver the electricity to Bangor Hydro-Electric's grid. http://www.fosters.com/apps/pbcs.dll/article?AID=/20101031/GJNEWS 01/710319924

ETA Plans Two 765 kV Transmission Projects in U.S. Midwest

Electric Transmission America (ETA), a joint venture between subsidiaries of American Electric Power (AEP) and MidAmerican Energy Holdings Company (MEHC), signed separate memorandums of understanding with Exelon and MidAmerican Energy Company to develop two 765 kV transmission projects in the U.S. Midwest. ETA and Exelon plan to jointly develop 420 miles of 765 kV transmission lines from the Indiana/Ohio border into Henry County, Illinois. The project would be built in phases, likely between 2015 and 2018, depending on the timing of regulatory approvals. ETA and MidAmerican Energy Company plan to develop another 180 miles of 765 kV transmission that would extend from the terminus of the first project in Henry County, Illinois, to Louisa County, Iowa, and then to Buchanan County, Iowa. That project is expected to be operational by 2019, depending on the timing of regulatory approvals.

http://www.aep.com/newsroom/newsreleases/?id=1648

Petroleum

Motiva to Restart FCC at 285,000 b/d Port Arthur, Texas Refinery October 31 – November 7

Motiva planned to restart a gasoline-making fluid catalytic cracking unit (FCC) from October 31 – November 7 at its 285,000 b/d Port Arthur, Texas refinery, the company said in a filing with state regulators. The filing did not say when or why the unit went offline.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146735

Update: After Power Failures, ConocoPhillips Restarting Units at 238,000 b/d Bayway Refinery in Linden, New Jersey October 30

The facility experienced a power failure on October 25 and again on October 29. Reuters, 14:53 October 31, 2010 Reuters, 15:46 October 29, 2010

Fire Extinguished at Shell's 75,000 b/d Sarnia, Ontario Refinery October 28

Shell extinguished a minor fire within 10 minutes on October 28 at its 75,000 b/d Sarnia, Ontario refinery, the company said over the weekend. The fire occurred in an unspecified processing unit. That unit was offline, as of latest reports.

Reuters, 14:19 October 30, 2010

Update: Refineries Resuming Production as Backlog Begins to Clear at Fos-Lavera Oil Port in France November 1

Numerous French refineries had begun restarting production by November 1, and the backlog of ships at the Fos-Lavera oil port was beginning to thin, multiple sources reported. Nationwide strikes and a separate strike at the Fos-Lavera oil port had grinded France's refineries to a virtual halt in recent weeks, but the strikes ended late last week. Some 44 tankers, including 37 carrying crude oil or oil products, were waiting to offload at Fos-Lavera on November 1, the port authority said.

http://online.wsj.com/article/BT-CO-20101101-704469.html

http://www.bloomberg.com/news/2010-11-01/ineos-lyondellbasell-start-french-refineries-after-port-opens.html http://news.xinhuanet.com/english2010/world/2010-10/30/c 13582544.htm

Propylene Gas Leak Forces Shut Total's Antwerp, Belgium Refinery November 1

A fireman described the leak as "fairly significant." Fire officers evacuated some 300 employees from the facility. DJN, 11:29 November 1, 2010

Plains All American Pipeline to Add About 4 Million Barrels of Crude Oil Storage Capacity at Existing Cushing Terminal Facility in Oklahoma

Plains All American Pipeline, L.P. plans to add a new pipeline interconnect and approximately four million barrels of crude oil storage capacity at its Cushing Terminal Facility in Oklahoma, it said on November 1. The company expects to complete the project in three phases: Phase IX, X, and XI. The Phase IX expansion would involve a high-capacity connection to Keystone Pipeline, certain terminal modifications to enable Keystone deliveries at full line rates, and the construction of two 270,000 barrel tanks. The Partnership plans to be ready to accept Keystone deliveries in the first quarter of 2011. The Phase X & XI expansions would include constructing fourteen 270,000 barrel tanks. The tanks are expected to be placed into service in stages from the second through fourth quarters of 2011.

http://www.b2i.us/profiles/investor/ResLibraryView.asp?BzID=789&ResLibraryID=41379&Category=117

Brazil's Libra Oilfield Could Hold up to 15 Billion Barrels of Recoverable Oil Reserves: ANP

The Libra oilfield offshore Brazil contains 3.7-to-15 billion barrels of recoverable oil, the nation's oil regulator ANP said on October 29, citing an estimate by Gaffney, Cline & Associates. The most likely estimate is 7.9 billion barrels, but the top-end estimate – 15 billion barrels – would outpace the nation's entire current oil reserves by 1 billion barrels.

http://www.rigzone.com/news/article.asp?a_id=100780

http://www.anp.gov.br/?pg=36151&m=&t1=&t2=&t3=&t4=&ar=&ps=&cachebust=1288603360471

Saudi Arabia's Proven Oil Reserves Total 264 Billion Barrels: Oil Minister

Saudi Arabia's proven oil reserves total 264 million barrels, and at existing production levels the nation "could continue to supply crude oil for another 80 years, even if we never found another barrel," its oil minister said on November 1. The oil minister said the oil market was "a little bit over supplied but not to the extent of pressuring price." He said that if prices fell too far below \$70 per barrel, however, it could negatively impact the viability of renewable energy.

DJN, 09:58 November 1, 2010

Pirates Capture Panamanian-Flagged Tanker in Indian Ocean October 30

Pirates attacked the vessel offshore Somalia on October 30. The tanker was loaded with fuel oil and headed towards the Somalia coast, as of latest reports.

http://convenientflags.blogspot.com/2010/10/polar-tsakiris-tanker-hijacked-off.html

DJN, 08:52 November 1, 2010

Update: Williams Subsidiary Completes 150,000 Dth/d, Colorado-to-Wyoming Natural Gas Pipeline Expansion Project by November 1

Northwest Pipeline GP, a Williams Partners L.P. subsidiary, completed the 150,000 Dth/d, 30-inch, 15.5-mile pipeline loop – the Sundance Trail Expansion – by November 1. The line runs from the Greasewood and Meeker/White River hubs in Rio Blanco County, Colorado to the Opal Hub area in Lincoln County, Wyoming. As part of the project, Northwest replaced and added compression at its Vernal Compressor Station in Uintah County, Utah. The company received authorization from the Federal Energy Regulatory Commission (FERC) to place the loop into service.

 $\frac{http://www.williamslp.com/profiles/investor/ResLibraryView.asp?ResLibraryID=41382\&GoTopage=1\&Category=1800\&BzID=1296$

Other News

California Regulators Release Proposed Greenhouse Gas Cap-and-Trade Regulation October 28

The California Air Resources Board (CARB) released on October 28 its proposed greenhouse gas cap-and-trade regulation for the state of California. The program would provide an overall limit on emissions from sources responsible for 85 percent of California's greenhouse gas emissions, including power plants, refineries, and factories. It is part of the CARB's plan to comply with the state's Global Warming Solutions Act, or AB 32, signed by Governor Arnold Schwarzenegger in 2006. The law requires the state to reduce its greenhouse gas emissions to 1990 levels by 2020. California voters, however, are set to vote on a ballot measure that would eliminate the requirement for implementing AB 32 until the state's unemployment rate dips below 5.5 percent for one year. http://www.arb.ca.gov/newsrel/newsrelease.php?id=165
http://www.mercurynews.com/news/ci_16473944?nclick_check=1

Update: DOE Preparing for Cyber Attack against Energy Grid Involving Stuxnet-like Malware

The U.S. Department of Energy (DOE) has taken multiple steps to protect the U.S. energy grid from a cyber attack involving Stuxnet-like malware, according to the director of DOE's Transparency Initiative. He said such an attack "is going to happen," and that "we have to avoid the obvious scenarios and mitigate the consequences when an event happens."

http://www.v3.co.uk/v3/news/2272384/stuxnet-attack-hit-energy-grid

Energy Prices

U.S. Oil and Gas Prices November 1, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	83.29	81.72	78.22
NATURAL GAS Henry Hub \$/Million Btu	3.36	3.19	4.11

Source: Reuters

Xcel Energy Reroutes Electricity as Wildfire Nears Transmission Lines in Colorado, Cutting Power Temporarily to about 10,000 Customers October 29 http://www.denverpost.com/ci 16468279

Man Injured During Attempted Copper Theft at Jackson Energy Substation October 31 – Incident Knocks Out Power to 2,500 Jackson Energy Customers in Lee County, Kentucky http://www.wkyt.com/news/headlines/Police say copper thief caused thousands to lose power 106423008.html

Copper Wire Stolen from 23 Light Poles in Ellsworth, Maine over 30-60 Day Stretch to October 28

http://www.istockanalyst.com/article/viewiStockNews/articleid/4622336

NOVI Energy, LLC Plans 50MW Wood-Fired Power Plant in Halifax County, Massachusetts

http://www.gazettevirginian.com/index.php?option=com_content&view=article&id=1977:wood-fired-power-facility-moving-forward-in-halifax-county&catid=34:news&Itemid=54

Sempra Generation Expected to Complete 48 MW Copper Mountain Solar Power Project near Las Vegas, Nevada later in 2010

http://public.sempra.com/newsreleases/viewpr.cfm?PR ID=2541&Co Short Nm=SE

Black Hills Corp Recommends Retiring its 42 MW W.N. Clark Coal-Fired Power Plant in Cañon City, Colorado to Comply with Colorado Clean Air, Clean Jobs Act http://www.blackhillscorp.com/news10/102910.pdf

Nevada Geothermal Power, Ormat Nevada Inc. Plan up to 30 MW Geothermal Power Plant at Crump Geyser Project Area in Lake County, Oregon – Company Expects to Open Plant Before End of 2013

http://www.nevadageothermal.com/s/News.asp?ReportID=425784& Type=News& Title=NEVADA-GEOTHERMAL-POWER-INC.-AND-ORMAT-NEVADA-INC.-TO-DEVELOP-THE-CRUMP-GEY...

PG&E Defers Plan to Test Wave Power Generators Offshore California, Citing Costs and Technological Issues

http://www.mercurynews.com/news/ci 16485072?nclick check=1

Dominion Reports Increased Tritium Levels in Ground Water Sample at North Anna Nuclear Power Plant in Virginia October 29 – Company Says Levels Do not Exceed NRC Dose Limits or Voluntary Reporting Limits

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101101en.html

Unscheduled Flaring at Valero's 135,000 b/d Wilmington, California Refinery by November 1

Reuters, 12:58 November 1, 2010

Tanker Truck Catches Fire along I-93 North in Massachusetts October 29, Forcing Shut Most of Highway for About Hours – Truck was Carrying approximately 12,000 Gallons of Gasoline at Time of Incident

http://www.eagletribune.com/local/x2073115918/Gasoline-tanker-truck-fire-shuts-Route-93N

Update: Russia Begins ESPO Crude Deliveries along Pipeline to China November 1 – Nation Expects to Deliver 61,000 b/d in November, about 83,000 b/d in December, and 300,000 b/d Beginning in 2011

http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/8128787

Trebs and Titov Fields in Russian Arctic Could Contain More than 1.47 Billion Barrels of Recoverable Oil

http://www.businessweek.com/news/2010-10-31/russian-billionaire-s-bashneft-poised-for-arctic-oil.html

Angolan Oil Output at 1.8 Million b/d as Nation Wants OPEC to Increase Production Quota

Reuters, 07:29 October 31, 2010

Third-Party Contractor Strikes, Pierces Enterprise Products' Weigang-Fashing 20-Inch Natural Gas Pipeline in Texas, Releasing Unspecified Quantity of Natural Gas October 29 – Company Isolates Affected Segment

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146798

High Line Pressure Leads to Pressure Relief Valve "Pop" at North Milton Compressor Station in Texas October 29

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146800

Expander Valve Failure Leads to Shutdown at Waha Gas Plant in Texas October 30 – Company Restarts Amine Plant within Hours

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146816

DCP Halts VRU Sales at Multiple Locations in Texas, Citing High Oxygen in Gas October 29 – November 13

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146806

Equipment Snag Causes Emissions Event at Boyd Compressor Station in Texas October 29-30

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146814

Clatsop County Officials Okay Conditional Approval of Oregon Pipeline Company's Plan to Build 41 Miles of Natural Gas Pipeline through County October 27 – Line Would Serve Planned LNG Terminal in Warrenton, Oregon

http://www.downstreamtoday.com/news/article.aspx?a id=24498 http://www.oregonlng.com/about.htm

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

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

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