



ENERGY ASSURANCE DAILY

Tuesday Evening, November 01, 2011

Major Developments

Update: Over 1.6 Million Customers in the U.S. Northeast Remain without Power November 1

As of 4:30 PM ET on Tuesday, utility and news reports indicated more than 1.6 million customers remain without power from the Mid-Atlantic to New England due to a snow storm that brought heavy, wet snow over the weekend. Although restoration has been moving slowly for some utilities, total customer outages are down from roughly 2.4 million customers without power at about the same time yesterday. At least 4.3 million customers have lost power at some point due to the storm. Connecticut Light & Power (CL&P) was hit the hardest with nearly 831,000 customers without power at the peak of the storm. As of latest reports, more than 656,000 CL&P customers remain without power. The utility expects to restore power to most of its customers by Friday, November 4, and the remainder by Sunday, November 6.

U.S. East Coast Customer Power Outages			
October 29 – 31, 2011			
Electric Utility	State	Customers Affected	Latest Reported
Connecticut Light & Power	CT	831,000	656,493
Western Massachusetts Electric	MA	154,000	92,581
NSTAR	MA	114,000	20,000
Massachusetts Electric (National Grid)	MA	400,000	188,567
Unitil	MA/NH	70,000	4,958
Public Service of New Hampshire	NH	289,615	131,561
Granite State Electric Co (National Grid)	NH	15,665	3,047
New Hampshire Electric Cooperative	NH	11,500	79
Central Maine Power	ME	145,000	0
Narragansett Electric (National Grid)	RI	20,000	60
New England Subtotal		2,050,780	1,097,346
Jersey Central Power & Light (FirstEnergy)	NJ	356,000	181,000
PSE&G	NJ	500,000	95,000
Orange and Rockland	NJ/NY/PA	122,438	43,120
Con Edison	NY	129,000	26,870
NYSEG	NY	82,000	41,946
LIPA	NY	23,000	132
Central Hudson Gas & Electric	NY	156,000	37,544
PPL Electric	PA	318,000	41,575
PECO	PA	250,000	3,000
PennPower, Penelec, Met-Ed (FirstEnergy)	PA	292,000	54,297
Potomac Edison, Mon Power, West Penn Power (Allegheny Power)	MD/PA/WV	59,000	3,500
Mid-Atlantic Subtotal		2,287,438	527,984
TOTAL*		4,338,218	1,625,330

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

Sources:

<http://outage.cl-p.com/outage/outagemap.aspx>

<http://www.wmeco.com/outage/outagemap.aspx>

<http://www.nstaronline.com/business/>

<http://www1.nationalgridus.com/masselectric/stormcenter/>
<http://www.unitil.com/outage-center/news>
<http://twitter.com/#!/Unitil>
<http://outage.psnh.com/outage/outagemap.aspx>
<http://www1.nationalgridus.com/granitestate/stormcenter/>
<http://www.nhec.com/oms.php>
<http://www.cmpco.com/>
<http://twitter.com/#!/cmpco>
<http://www1.nationalgridus.com/narragansett/stormcenter/>
https://www.firstenergycorp.com/outages/outages.do?state_code=NJ
<http://www.pseg.com/info/media/news.jsp>
<http://www.oru.com/advisories/?id=594>
http://wp1.coned.com/or_stormcenter/default.aspx
http://www.coned.com/newsroom/information_releases.asp
<http://apps.coned.com/weboutageinfo/stormcenter/default.aspx>
<http://www.nyseg.com/Outages/outageinformation.html>
<http://www.nyseg.com/Outages/outagenewsreleases.html>
<http://www.lipower.org/stormcenter/outages/township.html>
<http://stormcentral.cenhud.com/default.aspx>
<https://selfserv.pplelectric.com/EUSelfServ/Outage/OutageMap.aspx>
<https://www.peco.com/CUSTOMERSERVICE/OUTAGECENTER/STORMCENTER/Pages/default.aspx>
https://www.firstenergycorp.com/outages/outages.do?state_code=PA
http://app.allegHENyenergy.com/outagestatus/OMS_Customer_State.aspx?Option=State&User=

Electricity

Xcel Announces It Will Not Pursue the 150-Mile Southern Colorado Transmission Line from San Luis Valley to the Front Range

Xcel Energy Inc. said late Monday that if state regulators approve the utility's revised energy forecast, it will discontinue its plans to build the 150-mile power line from the San Luis Valley to the Front Range, its so-called Southern Colorado Transmission Project. Xcel had partnered with the Tri-State Generation & Transmission Association in jointly proposing the project to the Colorado Public Utilities Commission in 2009. Xcel has now reduced its estimates for the amount of additional energy supply it will need to meet customers' demands to about 59 MW through 2017 and 292 MW through 2018, citing several factors, including the slow pace of economic recovery and the reduced energy demands by Colorado customers. Xcel said it now expects to meet power demands through 2018 via short-term power purchase agreements.

<http://www.bizjournals.com/denver/news/2011/10/31/xcel-backs-away-from-san-luis-valley.html?page=all>

Update: Luminant Restarts 793 MW Monticello Unit 3 in Texas after Boiler Tube Repairs October 31–November 1

Luminant shut Unit 3 on Sunday to repair a boiler tube leak, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=161140>

Approval by Oklahoma Regulators Marks Major Milestone in Plains & Eastern Clean Line's Efforts to Connect 7,000 MW of Energy Generation from Oklahoma to Tennessee

Plains and Eastern Clean Line Oklahoma LLC announced Friday that the Oklahoma Corporation Commission approved the company's request to conduct business as a public utility in Oklahoma. This approval marks a major milestone in Plains & Eastern Clean Line's efforts to connect 7,000 MW of clean energy generation from western Oklahoma, southwest Kansas, and the Texas Panhandle to Tennessee Valley Authority (TVA), Arkansas, and other southeastern markets. The Plains & Eastern Clean Line transmission line project will transport renewable energy through approximately 800-mile overhead high voltage direct current transmission lines. The project is expected to take several years to fully permit and could begin commercial operations as early as 2017.

http://www.cleanlineenergy.com/wp-content/uploads/2011/10/OCC_Approval_Release_FINAL_10_28_2011.pdf

Wynnewood Refining Co. Reports Brief Sulfur Recovery Unit Snag at 70,000 b/d Wynnewood, Oklahoma Refinery October 30

Wynnewood reported that sulfur dioxide was released from the sulfur recovery unit (SRU) and flare due to unknown causes, according to a filing with the U.S. National Response center yesterday. The filing states that the incident occurred on Sunday but was not discovered until Monday morning. Operators took the unit offline to secure the release and placed it back online within 11 minutes.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=994061

Colonial Pipeline Announces 24,000 b/d Expansion of Tidewater, Virginia Spur Line

Colonial Pipeline announced yesterday a capacity expansion of its product pipeline system in Virginia that can increase gasoline, diesel fuel, and other deliveries to the Tidewater area by 24,000 b/d. Adjustments to increase pipeline flow rates will be installed in Richmond and Yorktown, Virginia, starting in January, with completion expected in the first quarter of 2012. This project is partially the result of a new connection made in Yorktown, where Western Refining shut down a 64,500 b/d refinery several years ago and converted its storage tanks to a delivery facility serving the Tidewater area.

Reuters, 14:02 October 31, 2011

http://www.colpipe.com/press_release/pr_111.asp

U.S. Bureau of Safety and Environmental Enforcement Approves Extension of Nearly 1,400 Offshore Oil Drilling Leases in U.S. Gulf of Mexico

The Bureau of Safety and Environmental Enforcement announced Monday that it has approved more than 97 percent of the oil-drilling lease-extension requests, or 1,381 of 1,413 applications, from companies that say their work in the Gulf of Mexico was disrupted by the Deepwater Horizon oil spill or the temporary drilling ban that followed the spill. The Obama Administration announced in May that it would grant one-year extensions on offshore drilling leases to companies affected by a moratorium on deepwater activity that lasted from May to October 2010.

http://www.rigzone.com/news/article.asp?a_id=112281

Natural Gas

Enterprise Places 1.8 Bcf/d Acadian Haynesville Extension Pipeline into Service in Louisiana November 1

Enterprise Products Partners L.P. announced yesterday that the partnership's 270-mile Acadian Haynesville Extension pipeline officially begins commercial service November 1, 2011. With the completion of the project, producers in Louisiana's prolific Haynesville/Bossier Shale play will have access to 1.8 Bcf/d of incremental takeaway capacity, which could be increased to 2.1 Bcf/d on demand.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=1623545>

Tennessee Gas Pipeline Places 350 MMcf/d 300 Line Project into Service in Pennsylvania and New Jersey November 1

El Paso Corporation today announced that its wholly owned subsidiary, Tennessee Gas Pipeline Company, L.L.C. (TGP), has placed its 300 Line Project in service. The upgrade provides access to both new and existing natural gas supplies and increases capacity on the TGP system by 350 MMcf/d. The 300 Line Project included the installation of eight looping segments in Pennsylvania and New Jersey, totaling approximately 127 miles of 30-inch pipeline, and the addition of approximately 55,000 horsepower through the installation of two new compressor stations and upgrades at seven existing compressor stations. TGP is investing in four new Northeast projects that will increase capacity on the TGP system by an additional 1.5 Bcf/d, primarily from the Marcellus Shale. The 300 Line Project is the first of these, and plans call for the others to be placed in service in 2012 and 2013, subject to receipt of regulatory approvals.

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1624365>

Enterprise to Expand Natural Gas Pipeline and Processing Infrastructure in the Eagle Ford Shale in Texas

Enterprise Products Partners L.P. today announced several new construction projects that will extend and expand its natural gas and natural gas liquids (NGL) infrastructure in South Texas to accommodate expected production growth from the Eagle Ford Shale play. Enterprise will build an additional 300 MMcf/d train at its Yoakum cryogenic natural gas processing facility in Lavaca County, Texas. The partnership is also constructing 62 miles of 24-inch and 30-inch pipeline loops and increasing horsepower compression to gather and transport an additional 300 MMcf/d of rich Eagle Ford Shale gas. This expansion is expected to begin service in the first quarter of 2013. The Yoakum natural gas processing facility currently has 600 MMcf/d of capacity under construction, which is expected to begin service during the second quarter of 2012. With the additional 300 MMcf/d train, the plant will have total capacity of 900 MMcf/d when service begins, which is expected in the first quarter of 2013. To handle the additional NGLs from the cryogenic facility, Enterprise has increased the size of its 127-mile Y-grade pipeline that originates at the Yoakum plant and provides access to Enterprise's complex at Mont Belvieu, Texas from a 20-inch diameter to a 24-inch diameter.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=1624104>

Eagle Rock Announces Plans to Install 125 MMcf/d Wheeler Natural Gas Plant and Completion of 30 MMcf/d Expansion of Phoenix-Arrington Ranch Plant in Texas

Eagle Rock Energy Partners, L.P. today announced its intention to install a 125 MMcf/d high efficiency cryogenic processing plant in Wheeler County, Texas, in the heart of the prolific Granite Wash play. The Partnership expects to complete the installation of the new Wheeler Plant and construction of the associated infrastructure early in the fourth quarter of 2012. The Partnership also announced today that it has completed the construction of the 30 MMcf/d expansion of its Phoenix-Arrington Ranch Plant. The plant is expected to be fully operational at its expanded capacity of 80 MMcf/d in the coming days.

<http://ir.eaglerockenergy.com/phoenix.zhtml?c=200871&p=RssLanding&cat=news&id=1623914>

DCP Midstream Completes Acquisition of Seaway Products Pipeline, Advances Plans to Covert Line to Carry 150,000 b/d of NGLs from the Midcontinent to the Texas Gulf Coast

DCP Midstream announced yesterday that it has closed on its previously announced acquisition of the Seaway Products Pipeline Company from ConocoPhillips. DCP Midstream will convert the renamed Southern Hills Pipeline from refined products to natural gas liquids service and add extensions to Mont Belvieu, Texas, along with various receipt points in the Midcontinent region and associated gathering infrastructure, to create new NGL transportation capacity from the Midcontinent to the Texas Gulf Coast markets. Southern Hills Pipeline will have a target capacity of approximately 150,000 b/d of Y-grade NGLs and is expected to be in service as early as mid-2013.

<http://www.sn1.com/irweblinkx/file.aspx?IID=4105307&FID=11987248>

<https://www.dcpmidstream.com/Investors%20and%20News/Pages/SouthernHillsPipeline.aspx>

Valve Maintenance Problems at Targa Resources's Gas Processing Plant Leads to Flaring at XTO Energy's Russell Compressor Station in Texas October 31

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=161132>

Pecan Pipeline Co. Reports Emergency Maintenance Outage to Repair Air Blower at Kripple Kreek Gas Plant in Texas October 31

Operators reported an emergency maintenance outage was needed to replace the variable frequency drive for the air blower, according to a filing with the Texas Commission on Environmental Quality. Operators are working to minimize emissions to the extent possible.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=161153>

Compression Issues at Southern Union's MiVida Gas Plant Force Devon Energy to Send Curtailed Gas to Flare at Its Talladega 65 1H Battery in Texas October 30

Operators were forced to send curtailed gas production to the facility's flare after Southern Union shut its MiVida Plant due to compression issues, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=161189>

Other News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
November 1, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	89.80	93.00	78.22
NATURAL GAS Henry Hub \$/Million Btu	3.66	3.61	4.11

Source: Reuters

Energy Notes

DOE Loan-Recipient Beacon Power Files for Bankruptcy October 30; Its 20 MW Flywheel Energy Storage Plant in New York Continues to Operate

<http://finance.yahoo.com/news/Energy-firm-that-got-federal-apf-1623318545.html?x=0&.v=3>
<http://energy.gov/articles/beacon-power-challenges-and-opportunities-innovative-and-crucial-technology>

Nigeria Seizes Ship with 5,000 Tons of Stolen Oil and 30 Barges with Unspecified Quantities of Crude and Illegally Refined Oil October 28–31

http://www.rigzone.com/news/article.asp?a_id=112280

Operators Find Oil in the Feed to the North Effluent Treaters at Shell's 329,800 b/d Deer Park, Texas Refinery October 31

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=161187>

Tanker Truck Fire Causes 10,000 Gallons of Diesel Fuel to Spill, Power Outage in Sugar Land, Texas October 27–28

<http://www.khou.com/news/local/Big-rig-fire-causes-fuel-spill-power-outage-in-Sugar-Land-132774973.html>

Lake Michigan Cliff Collapses near We Energies Coal-Fired Power Plant in Oak Creek, Wisconsin, Injures None, Sweeps Truck and Equipment into Lake October 31

<http://finance.yahoo.com/news/Cliff-collapse-causes-apf-1772756978.html?x=0&.v=1>

NRGreen Power and GE Install System to Generate 14 MW of Electricity through Waste Heat at Alliance Pipeline's Windfall Compressor Station in Alberta

http://www.nrgreenpower.com/PDF_files/WREP%20Release_Oct%2031_2011.pdf

EPA to Force GenOn Energy to Cut SO2 Emissions from Its Portland Generating Station's 400 MW Coal-Fired Power Plant in Pennsylvania within Three Years

Reuters, 18:15 October 31, 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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