



# ENERGY ASSURANCE DAILY

Tuesday Evening, November 03, 2009

## *Electricity*

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### **Entergy's 951 MW Indian Point Nuke Unit 2 in New York Shut by November 3**

The unit shut after a "generator lockout relay actuation" triggered a turbine trip, according to a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of November 2 the unit was operating at full power.

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

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: FirstEnergy's 1,235 MW Perry Nuke Unit 1 in Ohio Ramped Up to 18 Percent by November 3**

The unit shut due to pump issues on October 16, a news source said. The Nuclear Regulatory Commission reported that on the morning of November 2 the unit was operating at 2 percent.

<http://www.reuters.com/article/marketsNews/idUSN0242878820091102>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: Luminant's 1,150 MW Comanche Peak Nuke Unit 2 in Texas Ramped Up to 77 Percent by November 3**

The Nuclear Regulatory Commission reported that on the morning of November 2 the unit was operating at 28 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Update: Citing "Profound Service Quality Failures," State DPU Orders Audit of Unitil's Response to 2008 Ice Storm in Massachusetts**

The Massachusetts Department of Public Utilities (DPU) ordered an independent audit of Unitil's response to a December 2008 ice storm and subsequent massive power failure, citing the company's "clear and unambiguous failure to satisfy its obligation to provide safe and reliable service to its customers." The storm began on December 12, 2008, and, at its height, cut power to all 28,500 Unitil customers. Some remained without electricity until December 25, according to the DPU. The DPU identified several failures in Unitil's response—largely due to a lack of planning and training—and directed the company to take corrective measures.

[http://www.mass.gov/?pageID=eoeapressrelease&L=5&L0=Home&L1=Grants+%26+Technical+Assistance&L2=Guidance+%26+Technical+Assistance&L3=Agencies+and+Divisions&L4=Department+of+Public+Utilities+\(DPU\)&sid=Eoea&b=pressrelease&f=110209\\_pr\\_unitil\\_orders&csid=Eoea](http://www.mass.gov/?pageID=eoeapressrelease&L=5&L0=Home&L1=Grants+%26+Technical+Assistance&L2=Guidance+%26+Technical+Assistance&L3=Agencies+and+Divisions&L4=Department+of+Public+Utilities+(DPU)&sid=Eoea&b=pressrelease&f=110209_pr_unitil_orders&csid=Eoea)

[http://www.boston.com/news/local/massachusetts/articles/2009/11/03/unitil\\_ordered\\_to\\_repay\\_customers\\_46m/](http://www.boston.com/news/local/massachusetts/articles/2009/11/03/unitil_ordered_to_repay_customers_46m/)

### **SolarReserve Plans 150 MW Rice Solar Energy Project in California**

SolarReserve, LLC's Rice Solar Energy, LLC plans to construct the 150 MW Rice Solar Energy Project in Riverside County, California, according to state website. The facility would store "seven hours' worth of the sun's energy in the form of molten salt," enabling it to produce power without sunlight, a news source said.

<http://www.energy.ca.gov/sitingcases/ricesolar/index.html>

<http://greeninc.blogs.nytimes.com/2009/11/03/solar-power-when-the-sun-goes-down/>

## **Placer Gold Corp. and Others Plan Massive Wind Farms in New York, Canada, Wisconsin and Michigan**

Placer Gold Corp. and others applied with Canadian and U.S. state governments to install numerous, connected 1,000 to-2,000 MW wind farms in the Great Lakes area of New York, several, connected 5,000 MW-plus wind farms in the Great Lakes region of Michigan, numerous connected, 10,000 MW wind farms in Lake Michigan, Wisconsin, and multiple, 10,000 MW wind farms in the Canadian Atlantic Coast region, according to multiple press releases. The companies would install the New York farms over a 10-15 year period, and the remaining projects over a 25-year span, the releases said.

<http://finance.yahoo.com/news/Placer-Gold-Corp-New-York-iw-936118692.html?x=0&.v=1>

<http://finance.yahoo.com/news/Placer-Gold-Corp-Canada-iw-1190557734.html?x=0&.v=1>

<http://finance.yahoo.com/news/Placer-Gold-Corp-Wisconsin-iw-3682281441.html?x=0&.v=1>

<http://finance.yahoo.com/news/Placer-Gold-Corp-Michigan-iw-3632564004.html?x=0&.v=1>

## **Update: Utilities Abandon Plans for 500-to-600 MW Big Stone II Coal-fired Power Project in South Dakota November 2**

Four utilities canceled plans to construct the 500-to-600 MW Big Stone II coal-fired power plant near Milbank, South Dakota, and its associated transmission facilities, citing a lack of additional partners. Three of the project's initial seven backers had already abandoned the plans. One of those companies—Otter Tail Power, the site's original lead developer—blamed its decision on economic conditions and regulatory and cost uncertainties. The four remaining utilities were Central Minnesota Municipal Power Agency, Heartland Consumers Power District, Missouri River Energy Services, and Montana-Dakota Utilities Co.

[http://www.bigstoneii.com/NewsMedia/PDF/BigStoneIInewsRelease\\_11.2.09.pdf](http://www.bigstoneii.com/NewsMedia/PDF/BigStoneIInewsRelease_11.2.09.pdf)

<http://www.startribune.com/local/68805317.html?page=2&c=y>

## ***Petroleum***

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### **Lyondell Operates 270,600 b/d Houston, Texas Refinery at Slightly Reduced Rates in September 2009**

Lyondell reduced its 270,000 b/d Houston, Texas refinery by 8,600 b/d during September 2009, in response to high oil prices and lagging demand, the company said on November 3. Company officials expected a similar refining market through the end of the year.

<http://www.reuters.com/article/rbssEnergyNews/idUSN0350032120091103>

### **Update: Fuel Spill to Blame for Explosion and Fire at Caribbean Petroleum Corp.'s Bayamon Refinery and Storage Facility in Puerto Rico—FBI**

A fuel spill—not sabotage or terrorism—was to blame for the massive explosion and two-day fire at Caribbean Petroleum Corp.'s Bayamon refinery and storage facility in Puerto Rico last week, an FBI special agent said on October 30. Investigators were still working to determine what ignited the spill, he said. Negligence could have been involved, according to an official at the Bureau of Alcohol, Tobacco, Firearms and Explosives.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=19002](http://www.downstreamtoday.com/news/article.aspx?a_id=19002)

<http://www.reuters.com/article/newsMaps/idUSTRE59T42Y20091030>

### **Update: Valero Reports Unit Snag at 310,000 b/d Port Arthur, Texas Refinery October 30**

A catalytic reforming unit malfunctioned, causing “the compressor to slow down and the compressor suction drum pressure to rise” at Valero's 310,000 b/d Port Arthur, Texas refinery on October 30, the company said in a filing with state regulators. The incident triggered flaring, Valero said. It was not clear if the incident had any impact to production.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=131375>

<http://online.wsj.com/article/BT-CO-20091101-704235.html>

### **Unit Fault at Alon's 70,000 b/d Big Spring, Texas Refinery October 31**

Alon performed operational adjustments after an LDH unit snag at its 70,000 b/d Big Spring, Texas refinery on October 31, the company said in a filing with state regulators. It was not clear if the incident had any impact to production.

Reuters, 18:29 November 2, 2009

### **CVR Energy Reports Production Disruptions at 115,000 b/d Coffeerville, Kansas Refinery**

CVR Energy had problems with a fluid catalytic cracking unit (FCC) and continuous catalytic reformer at its 115,000 b/d Coffeerville, Kansas refinery during the third quarter of 2009, the company said in its quarterly report. [http://www.reuters.com/article/reutersComService\\_3\\_MOLT/idUSTRE5A15AM20091102](http://www.reuters.com/article/reutersComService_3_MOLT/idUSTRE5A15AM20091102)

### **Update: Suncor Resumes Normal Rates at Fire-Damaged 175,000 b/d Oil Sands Upgrader in Alberta, Canada by November 2**

Suncor reduced production after a fire at the facility on October 12, according to a previous company statement.

<http://online.wsj.com/article/BT-CO-20091103-708312.html>

<http://www.suncor.com/en/newsroom/2418.aspx?id=3226>

### **Magellan Midstream Partners Plans 400,000 Barrel Expansion at El Paso Oil Storage Terminal in Texas**

Magellan Midstream expects to expand its newly-purchased El Paso oil storage terminal from 900,000 barrels to 1.3 million barrels by the first quarter of 2010, a news source said. The company also plans to operate its recently-bought, 90,000 b/d Longhorn pipeline in Texas at 40 percent capacity, in the short term. It expects to increase throughput to 80 percent capacity, at least, by July 2014, according to the news source. The company purchased both the storage terminal and the Longhorn pipeline from Flying J in July 2009.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=19003](http://www.downstreamtoday.com/news/article.aspx?a_id=19003)

### **Companies Plan as Much as 3.2 Million b/d of New Production from Three Iraqi Oilfields**

Companies plan to boost output by as much as 3.2 million b/d, combined, from the West Qurna, Nassiriya and East Baghdad oilfields in Iraq, a news source said. Included in the proposals:

- ExxonMobil and Shell plan to increase oil production to 2.1 million b/d at the existing 280,000 b/d West Qurna field. LUKOIL and ConocoPhillips, in a competing bid, propose to boost output to 1.5 million b/d.
- Eni hopes to produce 1 million b/d at the Nassiriya oilfield, but Iraq is expected to award the field to Nippon Oil Corp. The Nippon project would, within two years, yield 200,000 b/d of oil.
- Japan Petroleum Exploration Co. proposes to produce 400,000 b/d at the East Baghdad field.

<http://www.reuters.com/article/marketsNews/idUSL355685720091103?pageNumber=2&virtualBrandChannel=11624>

### **ConocoPhillips Plans Compressor Shutdowns at 247,000 b/d Sweeny, Texas Refinery November 3-17**

ConocoPhillips planned to shut and inspect the flare gas recovery system at its 247,000 b/d Sweeny, Texas refinery between November 3 and November 17, it said in a filing with state regulators. The compressors had been shutting, "on recent occasions... when routine pump switching takes place," the filing said. The company also expected to perform maintenance on a suction valve.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=131054>

Reuters, 01:24 November 3, 2009

## ***Natural Gas***

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### **Spectra Energy Completes 150 MMcf/d, Ohio-to-Pennsylvania Natural Gas Pipeline Expansion Project by November 2**

Spectra Energy's Texas Eastern Transmission, LP completed its 150 MMcf/d, Ohio-to-Pennsylvania "Northern Bridge" natural gas pipeline expansion project, it said in a November 2 release. The project, slated to deliver natural gas from the Rocky Mountains, involved new and enhanced compression in Pennsylvania, the company said.

[http://www.spectraenergy.com/news/releases/2009/nov/20091102\\_01.asp](http://www.spectraenergy.com/news/releases/2009/nov/20091102_01.asp)

### **BCR Holdings Plans 15 Bcf Bully Camp Natural Gas Storage Facility in Louisiana**

BCR Holdings plans to conduct a non-binding open season for its planned 15 Bcf Bully Camp natural gas storage facility in Lafourche Parish, Louisiana, the company said in a release. The facility would include two salt caverns, 1,200 MMcf/d of peak deliverability and 800 MMcf/d of peak injection capacity. It would open in the fourth quarter of 2013. The company expects the open season to run from November 16, 2009 to December 18, 2009.

<http://www.prnewswire.com/news-releases/bcr-holdings-inc-bcr-announces-upcoming-non-binding-open-season-for-gas-storage-in-louisiana-68838532.html>

## **United States and Canada Need 29,000-to-30,000 miles of New Natural Gas Pipelines, 370-to-600 Bcf of New Natural Gas Storage Capacity by 2030—INGAA**

Projected growth in U.S. and Canadian natural gas markets and an expected increase in new North American natural gas supplies will make necessary \$133 billion-to-\$210 billion of infrastructure investments through 2030, the Interstate Natural Gas Association of America (INGAA) said in a report. Much of those investments will, according to the INGAA, help connect unconventional shale basins and tight sands to current pipeline networks.

<http://www.ingaa.org/cms/31/7306/7828/9224.aspx>

## **Other News**

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### **Vega Promotional Systems Plans Fuel Pellet Manufacturing Plant in Georgia**

The facility will process organic waste-products into “several hundred thousand metric tons of biomass fuel pellets” per year, Vega said in a release.

<http://www.prnewswire.com/news-releases/vega-accepting-bids-for-construction-of-georgia-manufacturing-plant-68643217.html>

### **Waste Management, Linde North America Complete 13,000 Gallon/Day Landfill Gas-to-LNG Plant in California by November 2**

The facility converts landfill gas into as much as 13,000 gallons/day of liquefied natural gas (LNG), The Linde Group said in a press release. It is the largest such site in the world, according to the release. .

<http://www.linde.com/international/web/linde/like35lindecom.nsf/0/AFE53661A0474A93C1257663002AAC30>

## **Energy Prices**

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<b>U.S. Oil and Gas Prices</b>			
November 3, 2009			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	79.16	79.13	64.80
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.32	4.52	6.18

Source: Reuters

## **Energy Notes**

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### **EnXco Breaks Ground on Planned 50 MW Linden Wind Project in Washington by November 2—Company Expects to Complete Facility in early 2010**

BSW, 13:00 November 2, 2009

### **U.S. Geothermal Receives Local Permit for Planned 22 MW Geothermal Power Plant in Oregon October 28**

<http://finance.yahoo.com/news/US-Geothermal-Inc-Key-iw-4039189984.html?x=0&.v=1>

### **Danielson Wind Farms, LLC Eyes 4<sup>th</sup> Quarter 2010 Start Date for Planned 19.8 MW Danielson Wind Farm in Minnesota**

<http://www.prnewswire.com/news-releases/juhl-wind-inc-completes-new-20-year-utility-contract-for-46-million-danielson-community-wind-farm-68843157.html>

**Swift Power Plans Late-2012 Opening for 20 MW Dasque Cluster Hydropower Project in British Columbia, Canada**

<http://www.financialpost.com/small-business/business-solutions/story.html?id=2171259>

**Magnolia BioPower LLC to Produce 15 MW of Electricity at Planned Waste-to-Fuel Pellet Plant in Georgia**

[http://jacksonville.com/news/georgia/2009-10-16/story/brantley\\_getting\\_130\\_million\\_fuel\\_pellet\\_plant](http://jacksonville.com/news/georgia/2009-10-16/story/brantley_getting_130_million_fuel_pellet_plant)

**Update: PTT Exploration Stops Oil Leak in Timor Sea, Australia and Extinguishes Main Fire—Leak Started on August 21**

<http://online.wsj.com/article/BT-CO-20091103-703188.html>

**Update: Tanker Spills up to 800 Gallons of Oil into San Francisco Bay October 30**

<http://www.ktvu.com/news/21504883/detail.html>

**Mexico Reopens Cayo Arcas, Dos Bocas and Coatzacoalcas Oil Ports in Gulf of Mexico November 2-3—Facilities Shut Due to Weekend Weather Conditions**

Reuters, 11:19 November 3, 2009

**Power Failure Shuts all Units Briefly at Weir Booster Station in Texas November 2**

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=131476>

## Links

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***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](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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