Office of Electricity Delivery and Energy Reliability

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, November 16, 2010

Major Developments

Winds Knock Out Power to More Than 330,000 Customers in Washington and British Columbia, Canada November 15-16

Winds cut power to more than 300,000 customers in Washington and nearly 30,000 customers in British Columbia, Canada on November 15-16, multiple news and company sources reported. Some 105,740 customers remained without power, as of latest reports. The following table lists peak and current outage figures, based on latest available data.

| Washington and British Columbia Customer Power Outages November 15 – 16, 2010 | | | | |
|--|-------|---------|-----------------|--|
| Electric Utility | State | Peak | Latest Reported | |
| Puget Sound Energy | WA | 140,000 | 52,614 | |
| Tacoma Power | WA | 54,000 | 6,000 | |
| Avista | WA | 44,000 | 15,600 | |
| Peninsula Light | WA | 26,000 | 18,000 | |
| Snohomish County PUD | WA | 25,000 | 7,500 | |
| Seattle City Light | WA | 18,000 | 6 | |
| BC Hydro | BC | 27,000 | 6,020 | |
| TOTAL* | | 334,000 | 105,740 | |

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

Sources:

Puget Sound Energy: http://sam.pse.com/TextView.aspx,

http://seattletimes.nwsource.com/html/localnews/2013446711_outages17m.html,

http://www.theolympian.com/2010/11/16/1441973/pse-power-expected-to-be-fully.html

Tacoma Power: http://www.mytpu.org/tacomapower/news.aspx?news_id=183,

http://www.mytpu.org/tacomapower/news.aspx?news_id=184,

http://www.mytpu.org/newsroom/page.aspx?id=1678

Avista: https://www.avistautilities.com/safety/_layouts/avista/transactions/viewoutages.aspx,

http://www.kxly.com/news/25808581/detail.html

Peninsula Light: http://twitter.com/PenLightCo, http://twitter.com/PenLightCo, http://twitter.com/PenLightCo, http://www.komonews.com/news/local/108329119.html Snohomish County PUD: http://heraldnet.com/article/20101116/NEWS01/101119857/1058/COMM0617

Seattle City Light: http://www.seattle.gov/light/sysstat/, http://www.seattle.gov/light/sysstat/, http://www.b-townblog.com/2010/11/16/power-restored-

to-most-burienites-after-severe-windstorm-strikes-area/

BC Hydro: http://www.bchydro.com/outages/orsTableView.jsp, http://www.bchydro.com/outages/orsTableView.jsp, http://www.vancouverite.com/2010/11/15/high-15/

winds-17000-without-power-on-southern-vancouver-island/

Electricity

FPL's 693 MW Turkey Point Nuclear Unit 3 in Florida Shut November 15

FPL shut the unit on November 15 due to the "loss of a circulating water pump" when a separate pump was already offline, the company said in a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of November 15 the unit was operating at full power.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101116en.html

Information also derived from the NRC Power Reactor Status Reports:

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

Duke Energy's 846 MW Oconee Nuclear Unit 1 in South Carolina Reduced to 19 Percent by November 16

The Nuclear Regulatory Commission reported that on the morning of November 15 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/

Entergy's 813 MW FitzPatrick Nuclear Unit in New York Reduced to 42 Percent by November 16

The Nuclear Regulatory Commission reported that on the morning of November 15 the unit was operating at 99 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Progress Energy's 900 MW Harris Nuclear Unit 1 in North Carolina Ramped Up to 72 Percent by November 16

The Nuclear Regulatory Commission reported that on the morning of November 15 the unit was operating at 27 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Exelon's 1,093 MW Peach Bottom Nuclear Unit 3 in Pennsylvania Shut by November 16

Exelon shut the unit to replace a main power transformer, plant officials said previously. The Nuclear Regulatory Commission reported that on the morning of November 15 the unit was operating at 30 percent.

http://www.ydr.com/premium/ci 16617320

Information also derived from the NRC Power Reactor Status Reports:

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

Update: PG&E's 1,087 MW Diablo Canyon Nuclear Unit 1 in California Ramped Up to 78 Percent by November 16

The Nuclear Regulatory Commission reported that on the morning of November 15 the unit was operating at 48 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Ace Cogeneration's 118 MW Ace Cogeneration Coal-Fired Unit in California Returns to Service by November 15

According to the California Independent System Operator, the unit reported a return from an unplanned outage. http://www.caiso.com/unitstatus/data/unitstatus/201011151515.html

Update: PSE&G's 1,049 MW Hope Creek Nuclear Unit 1 in New Jersey at Full Power by November 16

The Nuclear Regulatory Commission reported that on the morning of November 15 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/

Exelon to Invest nearly \$5 Billion in Clean Energy Projects between 2010 and 2015 in Illinois, Pennsylvania, and Other States

The projects include:

- Energy-efficiency programs for ComEd and PECO customers and in Exelon's own operations, including cutting energy use at company facilities by 23 percent
- Uprates at the company's nuclear power facilities
- Investments in renewables, including purchasing a \$900 million, 735 MW wind operation from John Deere and building a 10 MW solar plant on Chicago's South Side
- Smart Grid initiatives in Chicago and Philadelphia, starting with the deployment of 720,000 smart meters
- Retiring four fossil units a combined 933 MW of capacity in Pennsylvania

http://www.exeloncorp.com/Newsroom/Pages/pr_20101116_EXC_Exelon2020Update.aspx

Petroleum

Motiva Reports Unit Snag at 235,000 b/d Convent, Louisiana Refinery November 15

It was not clear which unit was affected or whether the incident had any impact on production. DJN, 10:12 November 16, 2010

Hess Fixing FCC after Power Outage at 65,000 b/d Port Reading, New Jersey Refinery

Hess was repairing a gasoline-producing fluid catalytic cracking unit (FCC) on November 15 at its 65,000 b/d Port Reading, New Jersey refinery, the company said. A power failure forced shut the unit on November 10. http://af.reuters.com/article/energyOilNews/idAFWEN304620101115

Update: ExxonMobil Shuts in 45,000 b/d of NGL and Condensate Production after Militant Attack in Nigeria

ExxonMobil shut in 45,000 b/d of NGL and condensate production at its Oso platform in Nigeria, the company said by November 16, citing "a precautionary measure" after militants attacked the facility on November 14. Eight platform workers were "unaccounted for," but the company was evaluating a restart, as of latest reports. The field produces about 75,000 b/d of gas/condensate, according to ExxonMobil's website.

http://online.wsj.com/article/BT-CO-20101116-706870.html

http://www.exxonmobil.com/apps/crude_oil/crudes/mn_oso.html

Natural Gas

Update: Some TECO Peoples Gas Customers to Remain without Natural Gas Service in Florida until November 19

TECO Peoples Gas is not expected to restore natural gas service to all its customers in Lee and Collier counties, Florida until November 19, according to a local news source. The company halted natural gas service to about 7,200 customers – 6,000 homes and 1,200 businesses – after a construction worker ruptured a pipeline on November 11.

 $\frac{http://www.miamiherald.com/2010/11/16/1928026/gas-outage-cripples-sw-fla-businesses.html}{http://www.peoplesgas.com/}$

Eagle Ford Gathering LLC Plans 600,000 MMBtu/d Natural Gas Pipeline in Eagle Ford Shale. Texas

Eagle Ford Gathering LLC plans to open a 30-inch, 375,000 MMBtu/d natural gas pipeline in the Eagle Ford Shale, Texas in the third quarter of 2011, and expects to eventually increase the line's capacity to 600,000 MMBtu/d, the company said on November 15. Eagle Ford Gathering LLC is a 50/50 joint venture between Kinder Morgan Energy Partners, L.P. and Copano Energy, L.L.C.

http://phx.corporate-ir.net/phoenix.zhtml?c=119776&p=irol-newsArticle&ID=1496418&highlight=

Update: Halliburton Disclosing Fluids Used in Hydraulic Fracturing Process by November 15

Halliburton launched new content on its website that it said was designed to provide the public with information related to the identity and common uses of the additives and constituents generally involved in the hydraulic fracturing process. The news came less than one week after the U.S. Environmental Protection Agency (EPA) said it had subpoenaed the company to submit information regarding hydraulic fracturing. The EPA is conducting a study on the process. Halliburton did not say in its release whether the move was related to EPA's subpoena. http://www.halliburton.com/public/news/pubsdata/press-release/2010/corpnws-111510.html http://www.observer-reporter.com/OR/StoryAP/AP-Halliburton-chemicals-111510 http://yosemite.epa.gov/opa/admpress.nsf/d0cf6618525a9efb85257359003fb69d/a96496444c546959852577d6005e63d6!OpenDocument

Other News

Update: ICM to Retrofit Murphy Oil's Newly-Purchased, Unfinished 115 MMGal/Yr. Ethanol Plant in Hereford, Texas

ICM, Inc. has agreed to retrofit Murphy Oil USA, Inc.'s unfinished, ethanol plant in Hereford, Texas, with a planned capacity of 115 MMGal/Yr., ICM said on November 15. Specifically, ICM expects to add new equipment that it says will enable the plant to consistently achieve nameplate capacity. The company plans to complete the retrofit by the end of the first quarter, 2011. Murphy Oil, through a subsidiary – Hereford Renewable Energy, LLC – purchased the facility from Hereford Biofuels, LP by early-September 2010, according to a previous source. The company said then that it expected to begin full operations in the first quarter of 2011.

http://www.icminc.com/news/release/?press_release=46

http://www.chron.com/disp/story.mpl/ap/business/7194601.html

http://amarillo.com/news/local-news/2010-09-10/murphy-oil-buys-former-panda-ethanol-plant

TPA Likely to Deploy 17.4 MMGal/Yr. Modular Biodiesel Plant in Alberta, Canada

The plant can process canola and pennycress, among other materials.

http://www.edmontonjournal.com/technology/Biodiesel+plant+Alberta/3834750/story.html

Massey Energy Company Restarts Coal Preparation Plant in West Virginia by November 16 – Fire Destroyed Facility in August 2009

Massey Energy Company restarted operations last week at its redesigned and newly-renamed Zigmond Processing coal preparation plant in Logan County, West Virginia, the company said on November 16. A fire destroyed the facility, formerly known as the Bandmill plant, on August 27, 2009. The facility can process 1,200 tons per hour. https://phx.corporate-ir.net/phoenix.zhtml?c=102864&p=irol-newsArticle&ID=1497091&highlight="https://phx.corporate-ir.net/phoenix.zhtml"

Energy Prices

| U.S. Oil and Gas Prices November 16, 2010 | | | | |
|--|-------|----------|----------|--|
| | Today | Week Ago | Year Ago | |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 82.94 | 87.04 | 78.97 | |
| NATURAL GAS Henry Hub \$/Million Btu | 3.66 | 3.49 | 2.51 | |

Source: Reuters

Winter Storm Cuts Power to about 15,000 Fortis Alberta Customers in Alberta, Canada November 15-16 – Approximately 7,000 Still Without Electricity, as of Latest Reports

 $\underline{\text{http://www.calgaryherald.com/technology/Southern+Alberta+storm+causes+power+disruptions+more+snow+forecast+Wednesday/3837599/story.html}$

http://calgary.ctv.ca/servlet/an/local/CTVNews/20101116/CGY power leth 101116/20101116/?hub=CalgaryHome

Copper Wife Thief Allegedly to Blame as 3,000 Met-Ed Customers Lose Power for Almost Four Hours in Pennsylvania November 14 – Suspected Thief Suffers Severe Burns during Incident at Substation

http://www.ydr.com/ci_16617589

NRC Says Issues of "Very Low Safety Significance" Led to April Radiation Exposure by Workers at Constellation's Nine Mine Nuclear Unit 2 in New York – Company Says it "Took Immediate Action"

http://www.syracuse.com/news/index.ssf/2010/11/security_inspections_at_nine_m.html

NRC Reports Security Issue "Of Low to Moderate Safety Significance" at Entergy's Fitzpatrick Nuclear Power Plant in New York by November 13 – Company Says it "Took Immediate Action" to Resolve Problem

http://www.syracuse.com/news/index.ssf/2010/11/security inspections at nine m.html

State, Federal Agencies to Receive \$27.5 Million to Restore Delaware River from 2004 Oil Tanker Spill

http://www.dnrec.delaware.gov/News/Pages/DNREC, other agencies get \$27M settlement from Athos I oil sp ill.aspx

Venezuela Produces 2.497 Million b/d of Crude Oil in October 2010, or 121,000 b/d More than in September 2010

http://www.energyintel.com/#latest

Pressure Spike Leads to Venting at West Credo Booster Station in Texas November 15-16 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=147375

Update: Williams Partners L.P. Files Application with FERC for 142,000 Dth/d Mid-Atlantic Connector Expansion Project along Transco Natural Gas Pipeline – Expansion Would Provide Service to Markets in Mid-Atlantic Region by November 2012 http://www.williamslp.com/profiles/investor/ResLibraryView.asp?ResLibraryID=41790&GoTopage=1&Category=1800&BzID=1296

Update: Fulcrum BioEnergy Says DOE Has Selected Company's Proposed 10.5 MMGal/Yr. Sierra BioFuels Plant to Advance to Final Stage for Loan Guarantee – Facility Would also Produce 16 MW of Electricity, and Come Online in 2012 http://www.fulcrum-bioenergy.com/documents/DOELoanGuarantee11-16-10.pdf

USDA Advisory Committee Report Casts Doubt on Prospects for Cellulosic Ethanol, Recommends Re-Evaluation of Federal Research Funds

http://www.zanesvilletimesrecorder.com/article/20101116/OPINION02/11160314

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.

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Please direct comments and questions to: ead@oe.netl.doe.gov