



ENERGY ASSURANCE DAILY

Tuesday Evening, November 25, 2008

Electricity

TVA's 1,126 MW Sequoyah Nuke Unit 2 in Tennessee Reduced to 57 Percent by November 25

Tennessee Valley Authority (TVA) curtailed the unit yesterday to work on the feedwater system. A spokesman said the work was finished, and operators were working to restore the unit to full power. The Nuclear Regulatory Commission reported that on the morning of November 24 the unit was operating at full power.

Reuters, 10:12 November 25, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

TMPA to Shut 453 MW Coal-fired Unit 1 in Texas November 25

Texas Municipal Power Agency (TMPA) planned to shut the unit tonight, November 25, "due to a boiler reheat tube leak," the company said in a filing with state regulators. It expected the outage to last until November 27.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=117034>

Reuters, 08:11 November 25, 2008

Bloomberg News, 09:53 November 25, 2008

Progress Energy Restarts 895 MW Brunswick Nuke Unit 1 in North Carolina by November 25

The company shut the unit on November 19 to replace a seal. The unit returned to 1 percent power by this morning, according to a Nuclear Regulatory Commission (NRC) report.

Reuters, 07:46 November 24, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Southern's 856 MW Hatch Nuke Unit 1 in Georgia Ramped Up to 20 Percent by November 25

The unit shut on November 22 due to low suction pressure. The pressure triggered a condensate booster pump trip, which in turn caused both reactor feed pumps to trip. The company said the issue was due to a power supply failure on a control valve. The Nuclear Regulatory Commission reported that on the morning of November 24 the unit was not operating.

Reuters, 07:52 November 25, 2008

Bloomberg News, 08:12 November 25, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Calpine's 593 MW Metcalf Energy Center Gas-fired Unit in California Returns to Service by November 24

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200811241515.html>

OPG Shuts 490 MW Nanticoke Coal-fired Unit 3 in Ontario

The unit shut due to an unspecified problem, a spokesman said. He did not say when the unit would return to service, but traders predicted it would be back within a week.

Bloomberg News, 19:41 November 24, 2008

Reuters, 08:31 November 25, 2008

TransAlta Corp's 279 MW Wabamun Coal-fired Unit in Alberta November 24

The shutdown occurred at 5:12 PM local time, according to the Alberta Electric System Operator.
Bloomberg News, 08:52 November 25, 2008

Los Angeles Unveils Plan to Boost Solar Power by 1,280 MW

The mayor of Los Angeles hopes to have solar energy account for one-tenth of the city's power consumption by 2020, under a plan released yesterday. The proposal would boost the city's solar generation by 1,280 MW; it would involve both private and public facilities, as well as residential solar panels.

<http://www.latimes.com/news/local/la-me-solar25-2008nov25,0,2714480.story>

FPL Energy Begins Operations at 150 MW Story County Wind Farm in Iowa

An FPL Energy subsidiary owns and operates the facility. Multiple other companies have agreed to purchase its output.

<http://www.lancastereaglegazette.com/article/20081124/UPDATES01/81124026>

http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=ind_focus.story&STORY=/www/story/11-24-2008/0004931921&EDATE=

Great Basin Wind Plans 192 MW New Comstock Wind Energy Project in Nevada

The 70-turbine, 192 MW project would be located in Nevada, on lands managed by the U.S. Bureau of Land Management (BLM). The BLM expects to prepare an environmental impact statement for the facility.

<http://www.platts.com/Electric%20Power/News/8195760.xml?p=Electric%20Power/News&sub=Electric%20Power>

Finavera Renewables Plans up to 295 MW of New Wind Power in British Columbia

The company submitted bids for as many as four new wind farms in British Columbia, with a total capacity of 295 MW. The bids were in response to a BC Hydro request for proposals.

<http://www.platts.com/Electric%20Power/News/6024415.xml?p=Electric%20Power/News&sub=Electric%20Power>

Northwestern Shoshone Economic Development Corp. Plans 100 MW Geothermal Power Plant in Utah

<http://www.jacksonholestartrib.com/articles/2008/11/25/news/regional/1722dd524f29e6a88725750b008319b0.txt>

Areva, Northrop Grumman Plan Nuclear Components Facility in Virginia

The facility will manufacture large components for Areva-designed nuclear power plants. Areva plans to use the materials (steam generators, reactor vessels, etc.) to build nuclear power facilities in the United States and Canada. It would be the only such facility in the United States.

The Energy Daily, 17:36 November 24, 2008

Exelon Nuclear Negotiating with Manufacturers for Alternative Technologies in Planned Nuclear Power Plant in Texas

Exelon announced in November its selection of a General Electric-Hitachi reactor design as the preferred technology for its Victoria location, should it decide to build the plant. Upon further review, however, it decided that alternative technologies would provide it with greater commercial and schedule certainty. Exelon said it is considering reactor technologies with more mature designs, more certain cost structures, and better availability of information.

<http://www.exeloncorp.com/aboutus/news/pressrelease/powergen/Exelon+Nuclear+Expects+to+Designate+Alternative+Technology+for+Texas+Project.htm>

Petroleum

Update: BP Plans to Restart Ultracracker at 467,720 b/d Texas City, Texas Refinery November 25

A hydrogen compressor trip forced the ultracracker to shut on November 22, the company said in a filing with state regulators. The unit was expected online today, November 25, according to a person familiar with operations. The source said the incident was not expected to significantly impact production.

Bloomberg News, 18:41 November 24, 2008

Update: OSHA Report Cites Safety Violations at Delek's 60,000 b/d Tyler, Texas Refinery

Delek failed to ensure proper valve configurations, and was unable to demonstrate that structures met blast resistance guidelines, among other safety violations, according to a 36-page report from the Occupational Safety and Health Administration (OSHA). The violations occurred earlier this year, and in prior years. The report, therefore, was not a direct response to last week's explosion and fire. OSHA said Delek failed to comply with its recommendations in 1999, 2004 and 2005.

<http://www.chron.com/disp/story.mpl/ap/tx/6131038.html>

<http://www.tylerpaper.com/apps/pbcs.dll/article?AID=/20081125/NEWS08/811250334>

Bloomberg News, 08:42 November 25, 2008

Update: Estimated 28,898 b/d of Oil Production Remains Shut in Louisiana November 24 after Hurricanes Ike and Gustav

Operators have restored 114,866 b/d of oil output among 17 Louisiana parishes and in-State offshore areas, the Louisiana Department of Natural Resources reported November 24. The restored figure accounted for 73.7 percent of the region's estimated 155,767 b/d capacity (the numbers are in addition to MMS reports of Federal offshore production). An estimated 28,898 b/d, or 18.6 percent of capacity, remained shut. The status of the remaining 12,004 b/d, or 7.7 percent, was unconfirmed.

<http://dnr.louisiana.gov/sec/execdiv/pubinfo/weekly-onshore-prod.ssi>

Update: Iraq Moving Crude to Turkey along Secondary Pipeline after Explosion along Main Route

Iraq was moving crude to Ceyhan, Turkey through a secondary, smaller pipeline, as operators performed repairs to the fire-damaged main line, an Iraqi Oil Ministry spokesman said November 25. He expected the work to take 7-to-10 days. The main Kirkuk, Iraq-to-Ceyhan, Turkey pipeline shut on November 21 after an explosion and fire in Turkey. The Kurdistan Workers Party (PKK), claimed responsibility for the assault. The Iraqi Oil Ministry spokesman said the incident had not affected exports from the Ceyhan port—storage at Ceyhan was sufficient to make up for lost deliveries, he said.

Bloomberg News, 10:18 November 25, 2008

Energy Assurance Daily, November 24, 2008

Update: Petro-Canada Says it Will Shelve Next Phase of 280,000 b/d Fort Hills Oil Sands Project in Alberta Unless Government Sets New Lease Terms

Petro-Canada will not continue with its Fort Hills oil sands project in Alberta, unless the government establishes new lease terms, the company's Chief Executive Officer said. Fort Hills had been slated to produce 280,000 b/d of crude by 2015.

Bloomberg News, 11:52 November 25, 2008

Petro-Canada May Postpone McKay River Oil-Sands Expansion, and Upgrade at Montreal Refinery

Citing costs, a company official said Petro-Canada might postpone the plans. Neither project has received regulatory or corporate approval.

<http://www.thestar.com/Business/article/542740>

Brazil's Pre-Salt Reserves Could Hold Between 50 Billion and 70 Billion Barrels of Oil—President of State Oil Company

Recent discoveries have likely increased Brazil's oil reserves from 12.6 billion barrels in 2007 to 14 billion barrels in 2008, said the president of Brazil's National Petroleum Agency. The ANP will not report its consolidated annual reserve estimates until January, so the numbers are unofficial. If true, however, the total would make Brazil's reserves the 9th largest in the world.

http://www.rigzone.com/news/article.asp?a_id=69936

Natural Gas

Indiana Gasification Shelves Plans for Coal-to-Gas Plant in Indiana

Indiana Gasification withdrew its plans after purchasing negotiations stalled between it and two utilities. A company attorney asked the Indiana Regulatory Commission for permission to resubmit the proposal later.

<http://www.courierpress.com/news/2008/nov/25/rockport-coal--gas-plant-proposal-withdrawn/>

WIC Declares Force Majeure after Unit Shutdown at Douglas Compressor Station at MBC in Wyoming November 25

Wyoming Interstate Company (WIC) declared Force Majeure after a unit shutdown at the Douglas Compressor Station in Wyoming. The company said it would reduce capacity from 1,520 MMcf/d to 1,120 MMcf/d through the Medicine Bow Lateral (MBC) beginning today, November 25. Firm Capacity at MBC was subscribed at 1,285 MMcf/d. The company will perform repairs to the unit, and the force majeure will last through the outage. <http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=WIC&sSubCategory=Critical&sNoticeId=7074>

Update: Estimated 374 MMcf/d of Natural Gas Production Remains Shut in Louisiana November 24 after Hurricanes Ike and Gustav

Operators have restored 1,109 MMcf/d of natural gas output among 17 Louisiana parishes and in-State offshore areas, the Louisiana Department of Natural Resources reported November 24. The restored figure accounted for 67.6 percent of the region's estimated 1,642 MMcf/d capacity (the numbers are in addition to MMS reports of Federal offshore production). An estimated 374 MMcf/d, or 23.1 percent of capacity, remained shut. The status of the remaining 158 MMcf/d, or 9.6 percent, was unconfirmed. <http://dnr.louisiana.gov/sec/execdiv/pubinfo/weekly-onshore-prod.ssi>

Update: U.S. Forest Service Delays NorthWestern Energy's Proposed Gas Pipeline in Montana

The environmental impact statement for NorthWestern Energy's proposed 12-mile natural gas pipeline to carry gas through the Flathead National Forest in western Montana is being suspended by the U.S. Forest Service. The Forest Service reported the company may proceed with environmental analysis of the pipeline when the company is prepared to advance the project which, as the company said, is not needed until 2012 or 2013. <http://www.montanastation.com/Global/story.asp?S=9405567>

ConocoPhillips Caps Natural Gas Well in British Columbia after Twelve-Day Fire

ConocoPhillips said the fire began on November 11 during routine drilling, but earlier reports indicated an equipment failure had triggered the incident. The company stopped gas flow to the well on Sunday, November 23. The fire did not cause any injuries. http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=11532607

Other News

MinnErgy Plans 55 Million Gallon/Year Ethanol Plant in Minnesota

The plant is expected to use 53,000 bushels or more of corn/day, and produce 55 million gallons of ethanol/year. The Minnesota Pollution Control Agency Citizens' Board will consider a motion today to require MinnErgy to prepare a limited Environmental Impact Statement for the plant. <http://www.minnenergy.com/aboutus.htm>
<http://ethanol-news.newslib.com/story/6938-30113/>

Update: GreenHunter Energy Restarts Biodiesel Refinery in Houston, Texas after Hurricane Ike

The plant first began production in mid-June, and had not reached full capacity prior to Hurricane Ike. The storm forced shut the plant, left about 12 feet of floodwater, and caused significant damage to electrical equipment, electronic instruments and control devices. The company had to repair process piping, pumps, intermediate tanks and bulk storage tanks. GreenHunter expects to restore production to 50 percent of capacity sometime over the next four operating weeks, a company official said. <http://www.greenhunterenergy.com/InvestorRelations/News/11252008.html>

Green Star Products Completes 8 Million Gallon/Year Inland Empire Oilseeds Biodiesel Facility in Washington

The facility's initial continuous acceptance run produced 36,000 gallons of spec biodiesel, the company said in a November 25 release. The plant has initial rated capacity of 8 million gallons/year. Essential equipment, already installed, would enable an expansion to 16 million gallons/year. <http://www.greenstarusa.com/news/08-11-25.html>

Hybrid and Plug-in Vehicles Remain Unprofitable for Car Companies—Washington Post

Car manufacturers have yet to produce a profitable hybrid or plug-in vehicle, despite political interest in alternatives to gasoline-powered cars, a news source reported November 25. Analysts believe that Toyota loses money on its hybrid, the Prius and General Motors' planned plug-in hybrid Volt will be unprofitable for several years, at the least. <http://www.washingtonpost.com/wp-dyn/content/article/2008/11/24/AR2008112403211.html?hpid=topnews>

Energy Prices

U.S. Oil and Gas Prices			
November 25, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	50.22	55.33	98.23
NATURAL GAS Henry Hub \$/Million Btu	6.85	6.55	6.81

Source: Reuters

Energy Notes

Update: Duke Energy Plans 630 MW Edwardsport, Indiana Coal-fired Power Plant as Opponents Criticize Economic Costs and Environmental Emissions

<http://money.cnn.com/news/newsfeeds/articles/apwire/7f2c1ed815ab266c0eba2ac16d7d9d1c.htm>

U.S. Electricity Demand Dips 3 Percent in Five-Week Span to Present, Compared to Weather-Based Models—Tudor Pickering Holt

<http://www.marketwatch.com/News/Story/Story.aspx?guid=%7b85364C36-0108-4B3F-8FE1-B3664946D4B7%7d&siteid=yhoof2>

National Guard Patrols of Entergy Nuclear's 2,311 MW Indian Point Nuclear Power Plant in New York will Help Deter Attacks—Division of Military and Naval Affairs

<http://www.recordonline.com/apps/pbcs.dll/article?AID=/20081122/NEWS/81122003>

IBM to Work with AEP, Consumers Energy to Develop "Smart Grid" Programs in their Service Territories

DJN, 11:07 November 25, 2008

Canadian Power Sector Threatened by "Critical Shortage" of Workers—Canada's Electricity Sector Council

<http://www.platts.com/Electric%20Power/News/8195751.xml?p=Electric%20Power/News&sub=Electric%20Power>

CO₂, N₂O Emissions Hit Record Highs in 2007 as Methane Sees Largest Jump in 10 Years—World Meteorological Organisation

Reuters, 09:02 November 25, 2008

Manitoba Government, Manitoba Hydro Official Sign Agreement over Planned Construction of Babcock & Brown's 300 MW Wind Farm in Canada

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=11533999

Update: Two More Shippers—Great Elephant Corp, Taiwan’s TMT—to Avoid Egypt’s Suez Canal on Piracy Concerns

Bloomberg News, 02:55 November 25, 2008

Reuters, 08:01 November 25, 2008

Update: Weather Forces Construction Delays along TransCanada’s Proposed 600,000 b/d, 30-inch, Alberta, Canada-to-U.S. Midwest Keystone Oil Pipeline

<http://www.kcautv.com/Global/story.asp?S=9401735&nav=1kgl>

Petro-Canada’s 130,000-to-135,000 b/d Montreal, Canada Refinery Running at 115,000-to-120,000 b/d Since Summer, Due Partly to Labor Issues

Reuters, 18:01 November 24, 2008

Venture Restores 43,500-45,000 boe/d Kittiwake Platform in North Sea to Full Operations November 20 after Repairs

http://www.rigzone.com/news/article.asp?a_id=69914

ONGC to Begin 20,000 b/d Oil Production, Combined, by 2012-2013 at Multiple Offshore India Fields—Output to Peak around 150,000 b/d by 2016-2017

http://www.rigzone.com/news/article.asp?a_id=69955

Saudi Arabia Says it Will not Slash Spending even in Oil Prices Drop Below Budget Forecast

http://www.rigzone.com/news/article.asp?a_id=69964

Gunmen Assault Nigerian Military in Effort to Protect Stolen Crude Trade

Reuters, 11:17 November 25, 2008

Update: Rebel Group MEND Threatens to End Cease-Fire in Nigeria after Request from Western Delta Militants to Assist in Battle

Reuters, 02:52 November 25, 2008

Russian Oil Exports to Reach 261 Million Tons in 2010, or a 6.5 Percent Increase from this Year—Government

Bloomberg News, 11:06 November 25, 2008

Questar Opens 16 MMcf/d Waerstad #3 Natural Gas Well in Louisiana November 13 and 7.4 MMcf/d Wiggins 36H-#1 Well in Louisiana November 16

http://www.rigzone.com/news/article.asp?a_id=69949

Update: Gulfstream Natural Gas System Seeks FERC Approval to Bring Online Phase IV of Project to Deliver Natural Gas to Florida Power Plant

<http://www.platts.com/Natural%20Gas/News/6024434.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Orbit Gas Receives FERC Environmental Approval for Proposed 5 Bcf Natural Gas Storage Facility in Kentucky

<http://intelligencepress.com/>

Update: Four American Indian Tribes File Federal Suits Against TransCanada's Proposed Alberta-to-U.S. Midwest Keystone Oil Pipeline

<http://www.forbes.com/feeds/ap/2008/11/25/ap5742294.html>

Northwestern Band of Shoshone Nation Plans Waste-to-Electricity Facility in Utah

<http://www.jacksonholestartrib.com/articles/2008/11/25/news/regional/1722dd524f29e6a88725750b008319b0.txt>

Kitimat LNG Seeks Expressions of Interest for Capacity at Planned LNG Terminal in British Columbia

<http://www.kitimatlng.com/code/navigate.asp?Id=32>

Arch—United States' Second Largest Coal Producer—Could Export Coal to China in 2009

<http://www.stltoday.com/stltoday/business/stories.nsf/manufacturingtechnology/story/7F3CC9771B3318528625750C00130755?OpenDocument>

China Says it Finds 23 Billion Ton Coal Reserve

<http://english.people.com.cn/90001/90776/90884/6539850.html>

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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