



ENERGY ASSURANCE DAILY

Friday Evening, December 04, 2009

Electricity

APS's 1,247 MW Palo Verde Nuke Unit 3 in Arizona Shut by December 4

Arizona Public Service (APS) shut the unit after an apparent valve malfunction triggered a "loss of Instrument Air (IA) to Containment," it said in a filing with the Nuclear Regulatory Commission (NRC). The company expected to restart the unit over the weekend, a spokeswoman said. The NRC reported that on the morning of December 3 the unit was operating at full power.

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

<http://www.reuters.com/article/idUSN0415584520091204?type=marketsNews>

Information also derived from the NRC Power Reactor Status Reports:

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

PPL's 1,105 MW Susquehanna Nuke Unit 1 in Pennsylvania Reduced to 81 Percent by December 4

The Nuclear Regulatory Commission reported that on the morning of December 3 the unit was operating at 94 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Reliant Resources' 850 MW Conemaugh Coal-fired Unit 2 in Pennsylvania Shut by December 3

Reuters, 20:02 December 3, 2009

Update: PPL's 1,111 MW Susquehanna Nuke Unit 2 in Pennsylvania Ramped Up to 89 Percent by December 4

Operators reduced the unit to 80 percent power after a "cooling tower make-up supply line failure" caused a valve vault to flood and overflow "at several thousands of gallons per minute flow" on December 1, the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of December 3 the unit was operating at 80 percent.

<http://www.reuters.com/article/marketsNews/idUSN0221685520091202>

<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: Entergy's 1,075 MW Waterford Nuke Unit 3 in Louisiana Ramped Up to 16 Percent by December 4

The unit shut for planned reasons on October 19. During the shutdown, Entergy reported a containment leak that surpassed maximum-allowable rates. The incident occurred "primarily due to three penetrations that could not be pressurized to full test pressure," the company said in a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of December 3 the unit was operating at 1 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2009/20091130en.html>

<http://www.reuters.com/article/marketsNews/idUSN3043911220091130>

Information also derived from the NRC Power Reactor Status Reports:

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

Luminant to Restart 593 MW Big Brown Coal-fired Unit 2 in Texas December 4

The unit shut “due to a false ground signal from the backup generator sound sensor,” on December 4, Luminant said in a filing with state regulators. The company expected to restart the unit later on December 4, it said in a separate filing.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=132822>

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=132820>

AECI Plans 540 MW Chouteau 2 Gas-fired Power Plant in Oklahoma

Associated Electric Cooperative Inc. (AECI) expects to open the facility and an associated 33-mile natural gas pipeline in 2011, according to its website.

<http://phx.corporate-ir.net/phoenix.zhtml?c=106374&p=IROL-newsArticle&t=NewsRelease&id=1361816>

http://www.aeci.org/BFT_GasAboutAECIplant.aspx

Upstate NY Power Corp. Plans 268.8 MW Hounsfield Wind Farm Offshore New York

Upstate NY Power Corp plans to install up to 84 turbines and generate as much as 268.8 MW of electricity at the Hounsfield Wind Farm on Galloo Island, offshore New York, according to its website. The company expects to construct an associated 51.5-mile transmission line.

http://upstatenypower.com/images/Housfield_Wind_Farm_Final_Scope_all.pdf

<http://www.watertowndailytimes.com/article/20091204/NEWS03/312049981>

Petroleum

Alon Reports Compressor Snag at 67,000 b/d Big Spring, Texas Refinery December 4

An off-gas compressor connected to a diesel hydrotreater shut for unspecified reasons at Alon’s 67,000 b/d Big Spring, Texas refinery on December 4, according to a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=132818>

Bloomberg News, 13:15 December 4, 2009

Chevron Resumes Normal Operations after Brief SRU Snag at 45,000 b/d Salt Lake City, Utah Refinery December 3-4

Chevron resumed normal operations after “a short incident” with a sulfur-recovery unit (SRU) at its 45,000 b/d Salt Lake City, Utah refinery December 3-4, a news source said.

Bloomberg News, 13:10 December 4, 2009

Flint Hills Reports Cooling Tower Leak at 288,126 b/d Corpus Christi, Texas Refinery December 2-3

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=132784>

Bloomberg News, 14:23 December 3, 2009

Update: Denbury Resources Expects CO2 Injections to Yield 125 Million Barrels of Oil at Conroe Field in Texas

Denbury Resources plans to construct an 80-mile carbon dioxide (CO2) pipeline to link its proposed 320-mile, Mississippi-to-Texas, CO2-carrying “Green Pipeline” with the Conroe oilfield in Texas, according to a news source. The company expects to inject CO2 at the Conroe field, and eventually produce about 125 million barrels of oil. Denbury plans to employ a similar strategy at the existing 2,000 b/d Hastings oilfield in Texas; it expects to increase production to 15,000 b/d, at a minimum.

<http://www.bloomberg.com/apps/news?pid=20601103&sid=aqnqNO3aFzJs>

<http://www.star-telegram.com/local/story/1809248.html>

SOFEC Plans 157,000 b/d FPSO at Block 31 Offshore Angola

SOFEC Inc. plans to install the 157,000 b/d Plutao, Saturno, Venus and Marte (PSVM) floating production storage and offloading (FPSO) vessel in Block 31 offshore Angola, according to a contractor release.

<http://www.firstsubsea.com/fsnews/sofec-inc-to-use-first-subsea-connectors-to-moor-block-31-fps0.htm>

Update: Connacher Plans 10,000 b/d SAGD Project at Great Divide Oilsands Operation in Alberta, Canada

Connacher Oil and Gas Limited plans to complete its Algar 10,000 b/d steam-assisted gravity drainage (SAGD) project in April 2010 at its Great Divide oil sands operation in Alberta, Canada, according to a company release. The company temporarily halted work in early 2009, citing economic conditions. It restarted the project in July 2009.

<http://www.connacheroil.com/documents/news2009/CLL-2009-12-04.pdf>

Natural Gas

Nothing to report.

Other News

AE Biofuels to Repair and Restart Cilion's 55 MMGal/Yr. Ethanol Plant in California

AE Biofuels, Inc. expects to repair, restart and operate Cilion, Inc.'s 55 MMGal/Yr. corn-based ethanol plant in Keyes, California during the first quarter of 2010, according to a company release. Cilion, Inc. opened the facility in November 2008, but closed it for unspecified reasons in early 2009. AE Biofuels owns a demonstration-sized cellulosic ethanol facility in Montana; the site produces ethanol from wheat straw, corn stalks and other agricultural waste. The company plans to employ that technology at the Keyes plant, pending Cilion's approval.

http://www.aebiofuels.com/keyes_plant_12.02.09.php

Secretaries Chu and Vilsack Announce \$564 Million Investment in Advanced Biorefinery Projects December 4

U.S. Department of Energy Secretary Steven Chu and Agriculture Secretary Tom Vilsack today announced the selection of 19 integrated biorefinery projects to receive up to \$564 million from the American Recovery and Reinvestment Act to accelerate the construction and operation of pilot, demonstration, and commercial scale facilities, the DOE said in a release. The projects were located in 15 U.S. states.

<http://www.energy.gov/news2009/8352.htm>

Secretary Chu Announces \$3 Billion Investment for Carbon Capture and Sequestration December 4

U.S. Energy Secretary Steven Chu announced today the selection of three new projects with a value of \$3.18 billion to accelerate the development of advanced coal technologies with carbon capture and storage at commercial-scale, according to a Department of Energy (DOE) release. To read more about the projects, click on the link below.

<http://www.energy.gov/news2009/8356.htm>

NCC Issues Recommendations to Boost U.S. Carbon Capture and Storage Technologies

The United States could spur economic growth and boost domestic oil production through a broad deployment of carbon dioxide capture and storage (CCS) technologies at coal-fired power plants, the National Coal Council (NCC) said in recommendations to the U.S. Department of Energy (DOE). A recent NCC study outlined an eight-to-10-year plan toward establishing a large-scale, cost-effective CCS system, and reducing carbon emissions.

PRN, 11:32 December 4, 2009

Energy Prices

U.S. Oil and Gas Prices December 4, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	75.83	76.03	43.80
NATURAL GAS Henry Hub \$/Million Btu	4.57	3.63	6.55

Source: Reuters

Energy Notes

Copper Theft Causes Hours-Long Power Outage in Granville, Ohio December 3

http://www2.nbc4i.com/cmh/news/crime/article/copper_wires_stolen_from_granville_power_substation/27694/

Gunman Disables Substation, Cuts Power to OG&E Customers in Oklahoma by December 1—Utility Restores Service in 12 Hours

<http://www.koco.com/news/21780622/detail.html>

Update: Chesapeake Renewable Energy Plans 20 MW Biomass-fired Power Plant and Associated 15 MMGal/Yr. Ethanol Plant in Maryland

<http://www.delmarvanow.com/article/20091204/NEWS01/912040302>

Update: PG&E Receives CPUC Okay to Purchase Electricity from Solaren Corporation's Planned 200 MW Space-Based Solar Power Project in California—Solaren Expects to Begin Service in 2016

http://docs.cpuc.ca.gov/PUBLISHED/AGENDA_RESOLUTION/110216.htm

http://docs.cpuc.ca.gov/PUBLISHED/NEWS_RELEASE/110678.htm

CPUC Approves Edison International's Plans to Study Possible 250 MW Carbon-Capture and Energy Storage "Hydrogen Energy California" Project in California

<http://latimesblogs.latimes.com/greenspace/2009/12/solar-power-in-space.html>

http://docs.cpuc.ca.gov/PUBLISHED/NEWS_RELEASE/110680.htm

Study from Emerging Energy Research Forecasts U.S. Utilities to Install 21.5 GW of Solar Photovoltaic Power Capacity between 2009 and 2020—

<http://www.prnewswire.com/news-releases/new-study-highlights-utility-role-behind-us-photovoltaic-market-78445772.html>

BP Reports Approximately-7,000-Gallon Produced Water Spill along 6-inch Pipeline in North Slope, Alaska December 2

http://www.upi.com/Top_News/US/2009/12/04/BP-dealing-with-2-Alaska-spills/UPI-27731259909186/

Oil Treater Truck Explosion Burns 1,764 Gallons of Oil in Illinois December 3

http://www.effinghamdailynews.com/local/local_story_338004248.html

Imperial Oil Sees no Operational Impact after “Minor” Processing Unit Issue at 184,000 b/d Strathcona, Alberta Refinery December 3

Bloomberg News, 09:32 December 3, 2009

Update: Transneft Repairs Rupture, Resumes Flows along Russia-to-Europe Druzhba Oil Pipeline December 4

<http://en.rian.ru/russia/20091204/157095741.html>

**Global Oil Supply Outpaces Demand by More than 2 Million b/d in November 2009—
Entergy Intelligence**

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

**Total Eyes 2019 Start-Date for Estimated-2.5-Billion Barrel Bemolanga Oilfield in
Madagascar**

<http://cn.reuters.com/article/editorsPicksNews/idCNTRE5B31DO20091204>

**Blowout along 16-inch Natural Gas Pipeline Cuts Power to Several Texas Customers by
December 3**

<http://www.newswest9.com/Global/story.asp?S=11617035>

**Goodrich Petroleum Produces 20.2 MMcf/d of Natural Gas at Bethany-Longstreet Field
Well in Louisiana, and 13.9 MMcf/d of Natural Gas at Chesapeake Energy Company –
Sentell Location in Louisiana**

<http://phx.corporate-ir.net/phoenix.zhtml?c=83169&p=irol-newsArticle&ID=1361570&highlight=>

**NYMEX Natural Gas Prices Slide to Yearly Low as EIA Reports Increase in Stored
Supplies December 3**

<http://www.google.com/hostednews/ap/article/ALeqM5i5TtajgUpSm7KY5jf-lCJGHBB-tAD9CC2D282>

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.oenetl.doe.gov/ead.aspx>

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