



ENERGY ASSURANCE DAILY

Wednesday Evening, December 08, 2010

Electricity

Update: Indiana-Michigan Power's 1,060 MW D.C. Cook Nuclear Unit 2 in Michigan Ramped Up to 64 Percent by December 8

Indiana-Michigan Power shut the unit in early-October for refueling; during the outage, the company discovered and repaired damaged baffle plates, according to a local news source. The Nuclear Regulatory Commission reported that on the morning of December 7 the unit was operating at 49 percent.

<http://www.wsjm.com/Cook-Plant-Unit-Two-Back-Online/8720611>

Information also derived from the NRC Power Reactor Status Reports:

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

DTE's 1,089 MW Fermi Nuclear Unit 2 in Michigan Reduced to 60 Percent by December 8

The Nuclear Regulatory Commission reported that on the morning of December 7 the unit was operating at 75 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Calpine's 751 MW Pastoria Gas-Fired Unit in California Ramps up by December 7

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 291 MW.

<http://www.caiso.com/unitstatus/data/unitstatus201012071515.html>

AES's 225 MW Huntington Beach Gas-Fired Unit 3 in California Shut by December 7

According to the California Independent System Operator, the unit reported an unplanned outage by December 7.

<http://www.caiso.com/unitstatus/data/unitstatus201012071515.html>

After Trip, AEP to Restart 558 MW Welsh Coal-Fired Power Plant in Texas December 7-8

American Electric Power (AEP) planned to restart the unit on December 7-8, it said in a filing with state regulators. The unit tripped, according to the filing. In a separate filing, AEP said it planned to reduce the same unit to 275 MW on December 7-8 as it removed a "clinker grinder breaker for repair." It was not clear if the incidents were related.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=148240>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=148217>

Update: Deepwater Wind Seeks to Construct 1,000 MW Wind Farm Offshore Rhode Island, Instead of Previously-Proposed 350 MW Project

Deepwater Wind applied to the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) to develop a 200-turbine, 1,000 MW wind power project in the Rhode Island Sound, the company said on December 8. The project, or Deepwater Wind Energy Center, would replace the company's previously-proposed plans to construct a 100-turbine, 350 MW project. The company would, under its new plan, install an underwater electric transmission system between Massachusetts and New York.

<http://dwwind.com/deepwater-news/wind-farm-s-size-doubled>

NextEra to Shut, Replace Thousands of Wind Turbines in Altamont Pass, California over Next Four Years – Aging Turbines Seen as Deadly to Migratory Birds

NextEra Energy Resources has agreed to replace some 2,400 wind turbines over the next four years and shut down all of its existing wind turbines in the Altamont Pass, California no later than 2015, according to the state's Attorney General. Environmental groups had filed suit over concerns that the turbines – installed more than 30 years ago – were to blame for thousands of bird deaths per year. A 2004 state-commissioned study found that the 5,400 older turbines operating at Altamont Pass killed an estimated 1,766 to 4,271 birds per year. NextEra will replace the turbines with more efficient and less deadly models, the Attorney General said.

<http://ag.ca.gov/newsalerts/release.php?id=2011>

Update: KCP&L Opens 850 MW Iatan 2 Coal-Fired Power Plant in Missouri December 7

Kansas City Power & Light (KCP&L) opened its 850 MW Iatan 2 coal-fired power plant near Weston, Missouri on December 7. It took five years to construct the facility.

<http://www.kansascity.com/2010/12/07/2505150/iatan-2-plant-fires-up.html>

Petroleum

Update: U.S. Government Should Improve Offshore Oversight, Strengthen Penalties for Violators of Federal Rules: DOI Inspector General

The Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) should hire more offshore drilling inspectors, carry out more surprise inspections, and the U.S. government should increase the severity of penalties against violators of federal rules, the Department of the Interior's Office of Inspector General said in a newly-released report. The Secretary of the Interior requested the report in the wake of the Deepwater Horizon disaster in the U.S. Gulf of Mexico.

<http://www.doi.gov/images/stories/reports/pdf/A%20New%20Horizon%20Public.pdf>

<http://www.washingtonpost.com/wp-dyn/content/article/2010/12/07/AR2010120705953.html>

BP Reports Unit Startup at 467,720 b/d Texas City, Texas Refinery December 8-11

BP was starting up a "CFHU PRISM Section" on December 8-11 at its 467,720 b/d Texas City, Texas refinery, the company said in a filing with state regulators. It was not clear when the unit went offline or if the event had any impact on production.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=148237>

ConocoPhillips Idling Unit after Leak at 252,000 b/d Westlake, Louisiana Refinery December 7

"Leaking piping" in an unidentified unit led to the release of hydrogen sulfide at ConocoPhillips' 252,000 b/d Westlake, Louisiana refinery on December 7, the company said in a filing with the National Response Center. The company was shutting the affected unit to fix the leak, according to the filing.

<http://www.bloomberg.com/news/2010-12-08/conocophillips-releases-gas-from-pipe-leak-at-westlake-refinery.html>

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=961625

Update: Valero Returns 70,000 b/d FCC to Planned Rates at 180,000 b/d Memphis, Tennessee Refinery by December 8

Valero shut the gasoline-producing fluid catalytic cracking unit (FCC) on November 29 to repair a wet gas compressor, Reuters said previously. The unit returned to planned rates by December 7, according to the company. Reuters, 10:49 December 8, 2010

Reuters, 09:52 December 7, 2010

DJN, 11:28 December 6, 2010

Valero Shuts 72,000 b/d FCC for Repairs at 170,000 b/d Benicia, California Refinery

Valero shut a 72,000 b/d gasoline-producing fluid catalytic cracker (FCC) for repairs at its 170,000 b/d Benicia, California refinery, a company spokesman said on December 7. The outage began a couple of days ago, and the spokesman expected it to continue for a few more. A power failure forced shut the same unit on December 1, a county official said previously. The company said it restarted the unit on December 2.

<http://www.bloomberg.com/news/2010-12-07/valero-shuts-catalytic-cracker-at-benicia-refinery-update1-.html>

Valero Shuts 65,000 b/d FCC at 145,000 b/d Houston, Texas Refinery by December 8

Valero shut the 65,000 b/d gasoline-producing fluid catalytic cracking unit (FCC) to fix a compressor, a company spokesman said on December 8. The work was "expected to be short," he said.

DJN, 10:56 December 8, 2010

Chevron Fixes Leak, Restarts 8-Inch Oil Field Gathering Pipeline in Texas December 6

Chevron shut an 8-inch oil field gathering pipeline in Van Zandt County, Texas on December 6 after the line leaked approximately five barrels of oil, but the company fixed the break and returned the line to service later in the day, according to a company spokesman and the National Response Center. The incident did not affect operations, the spokesman said.

<http://af.reuters.com/article/energyOilNews/idAFN0845400020101208>

Update: Buckeye Plans to Restart 8-Inch Oil Products Pipeline in Illinois by End of Week

Buckeye Partners LP plans to restart its 8-inch, East St. Louis-to-Chicago, Illinois oil products pipeline by the end of this week, barring "weather or equipment delays," a company official said by December 7. The company shut the line after it spilled approximately 100 gallons of gasoline in Livingston, Illinois on December 2, according to a previous filing with state regulators. The spill was suspected to have occurred when a farmer's plow struck the line, a company official said previously.

<http://www.bloomberg.com/news/2010-12-08/buckeye-expects-oil-line-back-in-service-this-week-update1-.html>

<http://www.bloomberg.com/news/2010-12-03/buckeye-excavating-pipe-at-gasoline-leak-in-illinois-update1-.html>

Update: BP Sees no Impact on Production, Exports as Shutdown Continues along Azerbaijan-to-Turkey BTC Crude Oil Pipeline December 8

A leak forced shut the Botas International-operated, Baku-Tbilisi-Ceyhan (BTC) crude oil pipeline on December 7 but BP, the line's partial owner, said the incident had not impacted production or exports. The company said previously that an "illegal tap" in Turkey was thought to have caused the leak. Repair work continued, as of latest reports. The line was scheduled to deliver 816,129 b/d of oil in December 2010, based on preliminary loading plans.

<http://af.reuters.com/article/energyOilNews/idAFIST00739520101208>

<http://online.wsj.com/article/BT-CO-20101207-710924.html>

<http://www.bloomberg.com/news/2010-12-07/bp-says-btc-pipeline-halted-by-possible-illegal-tap-update1-.html>

Natural Gas

Citing Weather, TransCanada Postpones Plans to Open 477 MMcf/d, Wyoming-to-North Dakota Bison Natural Gas Pipeline in December 2010

Citing "weather-related construction delays," TransCanada Corporation's subsidiary, Bison Pipeline, said on its website that it planned to open its proposed 477 MMcf/d Bison natural gas pipeline in January 2011, instead of the previously-scheduled December 2010. The company warned that "further weather delays were possible." A spokesman said separately that wind was hampering efforts to access the work site. The 30-inch, 302-mile pipeline is designed to deliver natural gas from the Dead Horse Region near Gillette, Wyoming, through southeastern Montana and southwestern North Dakota, interconnecting with Northern Border Pipeline Company's system in Morton County, North Dakota. It will be expandable to about 1 Bcf/d.

<http://www.transcanada.com/bisonpipelineproject.html>

<http://www.gilletteNewsRecord.com/articles/2010/12/03/news/today/news02.txt>

Other News

In Tax Deal, Obama and Republicans Fail to Include Stimulus Program for Wind Power Projects

Obama and Congressional Republicans announced a deal yesterday to extend the Bush era tax cuts, but the deal did not – as some argue it should – include the renewal of a stimulus program that offers grants in support of wind power projects. The 1603 program, as it is known, is due to expire at the end of 2010. At least one attorney in the field said "almost any project would not go forward but for this program." Some Congressional Democrats are pushing to include its extension in the tax deal.

http://www.dallasnews.com/sharedcontent/dws/news/washington/dmichaels/stories/DN-stimulusenergy_08bus.ART0.State.Edition1.3702003.html

DOE Official Downplays Importance of Russian Control over Portion of U.S. Uranium Production

Russian-owned ARMZ could, through a U.S.-approved, partial takeover of Canadian-based Uranium One Inc., control more than half of the United States' uranium production, but concerns over that prospect are ill-conceived, and neglect that "we are moving increasingly to an integrated global nuclear industry," U.S. Deputy Energy Secretary Daniel Poneman said by December 7.

<http://www.bloomberg.com/news/2010-12-07/u-s-dismisses-concerns-of-russian-control-of-uranium-production.html>

Energy Prices

U.S. Oil and Gas Prices December 8, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	88.41	86.28	72.90
NATURAL GAS Henry Hub \$/Million Btu	4.47	4.16	4.78

Source: Reuters

Energy Notes

Thieves Take Copper from Substation, Knock out Power to about 1,200 AEP Customers in Morrow County, Ohio December 8 - Power Restored within Less Than Nine Hours

http://www.dispatch.com/live/content/local_news/stories/2010/12/08/08-electricity.html?sid=101

U.S. Congress Should Consider Classifying Nuclear and Clean Coal as Clean Energy Sources, Should it Pass Legislation Requiring Utilities to Derive Percentage of Electricity from Cleaner-Burning Fuels: Energy Secretary Chu

<http://af.reuters.com/article/energyOilNews/idAFN079660020101208>

Heritage Sustainable Energy Plans 28.6 MW Heritage Garden Wind Farm, 12.3 MW Heritage Stoney Corners II Wind Farm in Michigan

<http://www.michigan.gov/gov/0,1607,7-168-23442-248100--,00.html>

ComEd Customers Save More than 616,000 MWh of Energy over First Two Years of "Smart Ideas" Energy Efficiency Programs – Company Launched Programs in June 2008

https://www.comed.com/sites/newsroom/News%20Room/newsroomreleases_12072010.aspx

Update: Future Power PA Receives All Necessary Permits to Construct 270 MW Good Spring IGCC Coal-Fired Power Plant in Pennsylvania

<http://www.newswire.ca/en/releases/archive/December2010/08/c3415.html>

Update: Florida Cabinet Approves American Renewables' Proposal to Construct 100 MW Biomass-Based Gainesville Renewable Energy Center in Florida

<http://www.sunshinestatenews.com/story/controversial-gainesville-biomass-plant-ok-in-last-cabinet-meeting>

SunCoke Energy to Limit Production of Electricity (to 46 MW) at Planned Power Plant in Middletown, Ohio to Avoid Ohio Regulations on Plants Generating More than 50 MW–

Facility Would Convert Waste Heat from Coke Plant into Steam, Enter Service by September 2011

<http://www.middletonjournal.com/news/middletown-news/suncoke-reduces-power-generation-at-new-plant-1023330.html>

Unit Snag Leads to Flaring at 234,700 b/d Norco, Louisiana Refinery December 7

Reuters, 00:15 December 8, 2010

Gasoline Tanker Crashes, Catches Fire and Forces Shut Road in Pulaski County, Arkansas December 6

<http://www.katv.com/Global/story.asp?S=13627796>

Citing “Incomplete Risk Assessments” and “Out-of-Date Emergency Response Plans,” Commissioner of the Environment and Sustainable Development Says Canada Unprepared to Respond to Major Oil Tanker Spill in Canadian Waters

<http://www.google.com/hostednews/afp/article/ALeqM5gP5CT0si13PnFwxgcUV4kXgnOajA?docId=CNG.a35172d22b0338261a9ae31edf8cfa03.751>

Community Member Says Local Youths Attack, Explode Eni-Operated Oil Pipeline in Niger Delta, Nigeria December 7

<http://www.foxbusiness.com/markets/2010/12/08/nigeria-community-member-says-eni-pipeline-attacked/>

Issues with Expander Valve Control Cause Recompressors, Amine Plant and AGI Compressor to Shut at Waha Gas Plant in Texas December 7 – Equipment Restarted in Less than Two Hours

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=148221>

Leaks Lead to SRU Shutdown at Keystone Gas Plant in Texas December 7-8

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=148231>

The Gas Company and General Motors Join Multiple Companies, Agencies, and Universities in Plan to Install 20 to 25 Hydrogen Fueling Stations in Hawaii by 2015

<http://www.prnewswire.com/news-releases/hawaii-hydrogen-infrastructure-gets-boost-111505744.html>

Pirate Activity Dips Significantly in Gulf of Aden, Rises Significantly in Indian Ocean and along Africa’s East Coast from September to November 2010: Drum Cussac

<http://www.drum-cussac.com/news.php?article=17>

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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