



ENERGY ASSURANCE DAILY

Wednesday Evening, December 16, 2009

Electricity

APS's 1,243 MW Palo Verde Nuke Unit 2 in Arizona at Full Power by December 16

Operators shut the unit over the weekend to replace a bushing that was causing temperatures to rise on a main transformer, a news source said. The Nuclear Regulatory Commission reported that on the morning of December 15 the unit was operating at 55 percent.

<http://www.reuters.com/article/idUSN1626241920091216?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/>

Update: Entergy Power Ventures to Restart 170 MW Harrison County Power Project Unit 1 in Texas December 15

The company replaced certain components and expected to restart the unit on December 15, it said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=132516>

DOE Okays More than \$600 Million in Renewable Energy Grants during November and December 2009

The Department of Energy's (DOE) National Renewable Energy Laboratory (NETL) authorized \$1.88 billion in funds for renewable energy projects from July through December 14, 2009, including more than \$600 million from November onward, Clean Technology Insight said. Applicants had sought \$2.3 billion. Several parties requested funds for projects already under construction; those applicants, combined, had broken ground on 10 GW of planned electric power capacity, as of November 30.

DJN, 12:11 December 16, 2009

Petroleum

Sunoco Sees Normal Operations after Small Fire at 335,000 b/d Philadelphia, Pennsylvania Refinery December 15

A small fire broke out in the Girard Point section of Sunoco's 335,000 b/d Philadelphia, Pennsylvania refinery on December 15, but the blaze was quickly extinguished and the facility was operating normally, as of December 16, a spokesman said.

Reuters, 10:11 December 16, 2009

Update: Sunoco Resumes Normal Operations after Weekend Power Disruption at 160,000 b/d Toledo, Ohio Refinery December 16

A power failure forced offline multiple process units and triggered flaring at Sunoco's 160,000 b/d Toledo, Ohio refinery on December 12, a news source said. The company began restarting the affected units later on December 12, and said today that it had resumed normal operations.

Reuters, 11:09 December 14, 2009

Reuters, 10:12 December 16, 2009

Update: Sinclair Oil Expects to Restart Some Process Units This Week at 66,000 b/d Sinclair, Wyoming Refinery

Production remained offline at Sinclair Oil's 66,000 b/d Sinclair on December 16, but the company had recovered most steam output and expected to restart some process units later in the week, a spokesman said. A power disruption forced offline most on-site production on December 6. Workers operated the facility at sharply-reduced rates for a few days, after the incident, but eventually shut the remaining units as cold weather hampered restoration efforts.

http://billingsgazette.com/news/state-and-regional/wyoming/article_489302be-e9fd-11de-bd8a-001cc4c002e0.html

Bloomberg News, 03:13 December 16, 2009

Update: Seminole Product Pipeline Remains Online—but Conduit Line Shuts—after Spill in Montana December 14

A 1,200 barrel oil-products spill forced closed a ConocoPhillips' supply line on December 14, but the associated Montana-to-Wyoming Seminole pipeline remained online, a company spokesman said. The affected line connects to the Seminole Line. Previous reports suggested that the incident had shut a section, at least, of the Seminole line.

<http://www.istockanalyst.com/article/viewiStockNews/articleid/3717923#>

<http://www.reuters.com/article/idUSN1520597620091215?type=marketsNews>

Drought, Power Cuts Could Slow Refinery Production in Venezuela—Analyst

Venezuela may reduce its oil processing by 200,000 b/d as droughts trigger reductions in hydroelectric power, according to the CEO of Curium Capital Advisors. Hydroelectric dams account for 71 percent of Venezuela's power capacity, but droughts have lowered water levels. The nation may reroute its electric output away from refineries, to satisfy public demand.

http://www.bloomberg.com/apps/news?pid=20601086&sid=aD8Ld_Nof9OA

Natural Gas

Dominion to Boost Natural Gas Processing Capacity by 50 MMcf/d, Install New Compression in West Virginia

Dominion plans to build two natural gas processing facilities—a 40 MMcf/d plant and a 10 MMcf/d site—finish three compression units currently under construction, add another nine compression units, replace approximately 25 miles of pipeline, and boost production by 60,000 gallons/day at the existing Hastings Extraction Plant in West Virginia, it said in a press release. The company expects the "Gathering Enhancement Project," by the fourth quarter of 2012.

<http://dom.mediaroom.com/index.php?s=43&item=821>

Range Resources Boosts Marcellus Shale Natural Gas Production to 100 MMcfe/d, Eyes Sharp Increases through 2011

Range Resources Corporation expects to produce 180-to-200 MMcfe/d of natural gas by the end of 2010 and 360-to-400 MMcfe/d by the end of 2011 in the Marcellus Shale, Pennsylvania, the company said on December 16. The 2011 high-end total would mark a four-fold increase from current production levels.

<http://www.b2i.us/profiles/investor/ResLibraryView.asp?ResLibraryID=35067&GoTopage=1&Category=1640&BzID=790>

Other News

Explosion Shuts Lincolnland Agri-Energy's 48 MMGal/Yr. Ethanol Plant in Illinois December 14

A "flash fire" explosion forced offline the Palestine, Illinois facility early on December 14, a news source said. The incident involved a dryer, and occurred for unknown reasons. The company said it could re-open certain parts of the facility soon—those sections not impacted by the blast—but the plant remained offline, as of latest news reports.

<http://www.lincolnlandagrienergy.com/>

http://www.tribstar.com/local/local_story_348222906.html

http://www.tribstar.com/breakingnews/local_story_348112054.html

Energy Prices

U.S. Oil and Gas Prices December 16, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	72.95	70.57	44.24
NATURAL GAS Henry Hub \$/Million Btu	5.53	5.10	5.75

Source: Reuters

Energy Notes

**Substation Shutdown Cuts Power to 11,455 AEP Customers in Corpus Christi, Texas
December 16—Company Restores Power to Most within Hours**

<http://www.caller.com/news/2009/dec/16/more-11000-corpus-christi-households-without-power/>

**Update: LADWP Drops Plans for 55 MW Solar Power Project near Salton Sea, California,
Citing Costs**

<http://www.latimes.com/news/local/la-me-la-solar16-2009dec16.0,2282198.story>

**Central Hudson Enterprises Corporation's CH Shirley Wind Plans Late 2010 Start-Date
for 20 MW Wind Farm in Wisconsin**

http://www.cenhud.com/about_us/news/dec15-B-09.html

**Fuel Tanker Crashes into Pick-up Truck, Spilling 6,000 Gallons of Gasoline, 2,000 Gallons
of Diesel, and Forcing Shut Local Road in South Carolina**

http://www2.wspa.com/spa/news/local/article/tractor_trailer_overturned_on_southport_road_in_spartanburg_county/30882/

**India Plans 5 Million-Tonne Boost to Existing 3.5 Million-Tonne Strategic Petroleum
Reserve by 2012**

<http://timesofindia.indiatimes.com/biz/india-business/India-to-raise-oil-reserve-to-85mt-by-2012/articleshow/5341787.cms>

**Update: Caspian Pipeline Consortium Receives Shareholders Okay to Expand 632,000 b/d
Kazakhstan-to-Russia Oil Pipeline to 1.35 Million b/d**

<http://online.wsj.com/article/BT-CO-20091216-706486.html>

<http://www.cpc.ru/portal/alias!press/lang!en-US/tabID!3357/DesktopDefault.aspx>

http://money.cnn.com/news/newsfeeds/articles/djf500/200912161226DOWJONESDJONLINE000627_FORTUNE5.htm

**High Vibrations Trigger Generator Trip, Force Shut Compressors at Eustace Gas Plant in
Texas December 15—Operators Restore Compressors within Hours**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=133263>

Crews Free Grounded “Matthew” LNG Tanker Offshore Puerto Rico December 15

<http://www.businessweek.com/ap/financialnews/D9CJP4JGL.htm>

Update: Valve Snag Likely to Blame for 18,000-Gallon Ethanol Spill at BioFuel Energy Corp.'s 115 MMGal/Yr. Wood River, Illinois Ethanol Plant December 11

<http://www.theindependent.com/articles/2009/12/12/news/local/doc4b247ac66866c493223847.txt>

Air Products Receives Regulatory Okay for Planned 30-Mile Hydrogen Pipeline in Alberta, Canada—Line Slated to Open in 2010 and Serve Refiners and Upgraders, among Others

<http://www.airproducts.com/PressRoom/CompanyNews/Archived/2009/15Dec2009.htm>

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>

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