



ENERGY ASSURANCE DAILY

Friday Evening, February 11, 2011

Electricity

Update: AMP Shelves Plans for 600 MW Gas-Fired Power Plant in Miegs County, Ohio – Company to Instead Purchase Planned 707 MW Gas-Fired Power Plant in Fremont, Ohio

American Municipal Power (AMP) plans to purchase FirstEnergy's unfinished, planned 707 MW gas-fired Fremont Energy Center in Fremont, Ohio on or about July 1, 2011, and – as a result of that purchase – suspend its bid to construct a 600 MW gas-fired power plant in Miegs County, Ohio, AMP said on February 9. The Fremont project is largely complete and is expected to be commercially available by the end of 2011. AMP announced the Miegs County proposal in late 2010.

http://amppartners.org/pdf/news_releases/AMP_Fremont_NewsRelease_final.pdf

http://amppartners.org/pdf/news_releases/ampgs-ngcc-release.pdf

<http://www.dispatch.com/live/content/business/stories/2010/08/23/amp-plans-natural-gas-plant.html?sid=101>

Petroleum

Update: Citing Potential Environmental/Safety Risks, PHMSA Asks Alyeska to Correct Problems along 800-Mile TAPS Oil Pipeline in Alaska

Citing "multiple conditions" that "pose a pipeline integrity risk to public safety, property or the environment," the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) asked Alyeska Pipeline Service Company to perform "corrective measures" along its 800-mile, Trans Alaska Pipeline System (TAPS), according to a recent "notice of proposed safety" letter from PHMSA to the company. The PHMSA identified several potential issues – internal corrosion, cold weather vulnerability, and reduced flows – as part of its investigation into an early-January leak that caused the line to shut for several days. Alyeska has 30 days to respond to the letter. PHMSA also told Alyeska to expect a "safety order" that would require the company to take action.

<http://af.reuters.com/article/energyOilNews/idAFN1117041820110211>

Chevron Restarts Unidentified Unit at 279,000 b/d El Segundo, California Refinery by February 10

It was not clear which unit was restarted or if the incident had any impact on production.

<http://www.reuters.com/article/2011/02/10/markets-products-westcoast-idUSN1020265420110210>

Unit Shuts after Freeze-Related Malfunction at ConocoPhillips' 247,000 b/d Sweeny, Texas Refinery February 10

Water froze inside a tank at the refinery on February 10, causing the tank's flow indicator to malfunction and triggering "an erroneous reading... which in turn activated a safety interlock" and forced offline the Regenerative Thermal Oxidizer (RTO), the company said in a filing with state regulators. Operators restarted the unit twice but it shut both times. They then discovered the malfunction and took steps "to verify flow indication through alternate means." The unit was restarted within just over four hours. It was not clear if there was any impact on production.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150601>

Natural Gas

Explosion Leads El Paso to Declare Force Majeure along Ohio Segment of 14,000-Mile Tennessee Gas Pipeline February 10-11

A section of El Paso Corporation's Tennessee Gas Pipeline exploded last night in Columbiana County, Ohio, news and company sources reported, causing a fire, prompting residents to evacuate, and forcing El Paso to declare force majeure for the line's Station 214 in Carrollton, Ohio on February 11. Responders extinguished the blaze and El Paso isolated the affected line, according to a company spokesman. He said that the incident took place in a thinly-populated area and that no one was reported injured. The company would "continue to deliver gas" and its customers were not affected, he said. On its website, however, El Paso declared the force majeure and said it expected to restrict "intraday increases" for gas deliveries on February 11. It said it also planned to restrict "100 percent secondary out of the path nominations (SOP) and lower priority services going forward," and possibly "a pro-rata portion of secondary in the path nominations (SIP)."

<http://www.reuters.com/article/2011/02/11/pipeline-leak-el-paso-idUSN1113572820110211>

<http://tebb.epenergy.com/ebbmastertpage/Notices/NoticesAutoTable.aspx?code=TGP&name=Tennessee%20Gas%20Pipeline%20Company%20-%20Notice%20Text&status=Notice&sParam1=TGP&sParam2=D&sParam4=136356&sParam9=D&details=Y>

<http://www.timesreporter.com/communities/carroll/x163791193/Gas-pipeline-explodes-in-rural-Columbiana-County>

Other News

East Coast Energy Solutions Plans 40 MMGal/Yr. Ethanol Plant in New Jersey

The facility would also generate 5 MW of electricity.

<http://www.ethanolproducer.com/articles/7473/usda-feasibility-grants-give-efficiency-feedstock-opportunities>

Energy Prices

U.S. Oil and Gas Prices			
February 11, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	84.25	87.71	72.84
NATURAL GAS Henry Hub \$/Million Btu	4.11	4.69	5.47

Source: Reuters

Energy Notes

Frozen Regulator Causes Flaring at ExxonMobil's 567,000 b/d Baytown, Texas Refinery February 10 – Company Sees No Affect on Production

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150603>

<http://www.reuters.com/article/2011/02/10/refinery-operations-exxon-baytown-idUSWNAB113020110210>

Shell Makes Operational Adjustments after Emissions Event at 329,800 b/d Deer Park, Texas Refinery February 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150608>

Provincial Government Says Statoil Improperly Rerouted Water to its Oil Sands Projects in Alberta, Canada Multiple Times from 2008 to 2010

<http://www.reuters.com/article/2011/02/10/us-statoil-idUSTRE71965F20110210>

Update: Montana Department of Transportation Does Not Expect Any Significant Environmental Impact from Imperial Oil's Plan to Deliver Large Refinery Equipment through State to Kearl Oil Sands Site in Alberta, Canada

<http://www.khq.com/Global/story.asp?S=14008799>

Citing Declining Reserves, Market Conditions, Marathon and ConocoPhillips to Shut Small-Scale Kenai LNG Plant in Alaska – Facility Sends Gas to Asia

<http://www.reuters.com/article/2011/02/10/Ing-kenai-shut-idUSN1029516220110210>

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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