



# ENERGY ASSURANCE DAILY

Monday Evening, October 20, 2008

## *Electricity*

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### **Luminant's 793 MW Martin Lake Coal-fired Unit 2 in Texas Shuts, Returns October 18**

The unit "tripped while at load due to the trip of the west bus breaker in the electrical switchyard," the company said in a filing with state regulators. Operators repaired the error and restarted the unit in just over an hour.

Reuters, 10:58 October 20, 2008

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115555>

### **Luminant to Shut 591 MW Sandow Coal-fired Unit 4 in Texas October 20**

The company planned to shut the unit to fix a boiler tube leak, according to a filing with state regulators. The repairs were scheduled to stretch about six hours. A spokesman did not say when the unit would be back online, but traders said boiler leak fixes usually last a few days.

Bloomberg News, 11:42 October 20, 2008

Reuters, 11:26 October 20, 2008

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115566>

### **Silicon Valley Power's 148 MW Donald Von Raesfeld Power Project Gas-fired Unit in California Shut by October 17**

According to the California Independent System Operator, the unit experienced an unplanned outage by October 17.

<http://www.caiso.com/unitstatus/data/unitstatus200810171515.html>

### **Duke's 146 MW Southbay Gas-fired Unit 1 in California Shut by October 19**

According to the California Independent System Operator, the unit experienced an unplanned outage by October 19.

<http://www.caiso.com/unitstatus/data/unitstatus200810191515.html>

### **Exelon's 1,111 MW La Salle Nuke Unit 2 in Illinois at Full Power by October 20**

The Nuclear Regulatory Commission reported that on the morning of October 19 the unit was operating at 78 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **Update: PSE&G's 1,092 MW Salem Nuke Unit 2 in New Jersey at Full Power by October 19**

The company slowed the unit last week for work on a transmission line, needed for a new substation, a spokesman said. The Nuclear Regulatory Commission reported that on the morning of October 18 the unit was operating at 80 percent.

Reuters, 08:20 October 20, 2008

Information derived from the NRC Power Reactor Status Reports:

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

### **Exelon's 619 MW Oyster Creek Nuke Unit in New Jersey Ramped Up to 96 Percent by October 20**

The Nuclear Regulatory Commission reported that on the morning of October 19 the unit was operating at 68 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **Dominion's 511 MW Kewaunee Nuke Unit in Wisconsin at Full Power by October 19**

The Nuclear Regulatory Commission reported that on the morning of October 18 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/2008/>

### **Ace Cogeneration's 118 MW Ace Cogeneration Coal-fired Unit in California Returns to Service by October 17**

According to the California Independent System Operator, the unit returned by October 17

<http://www.caiso.com/unitstatus/data/unitstatus200810171515.html>

### **Bruce Power's 822 MW Bruce Nuke Unit 7 in Ontario Back Online October 20**

The company shut the unit by October 18 to perform work in a safety system's valve motor.

Reuters, 09:58 October 20, 2008

### **Update: OPG's 490 MW Nanticoke Coal-fired Unit 5 in Ontario Returns by October 20**

The unit stalled by October 14.

Reuters, 10:02 October 20, 2008

### **Topaz Power Group Plans 677 MW Combined-Cycle Nueces Bay Energy Center in Texas**

The facility would replace an existing natural gas-and-oil-fired single-cycle unit in Corpus Christi, Texas with a natural gas combined-cycle facility. It would start commercial operations in 2010, and have 677 MW peak capacity.

<http://www.topazpowergroup.com/node/32>

### **WPL Plans 300 MW Nelson Dewey Generating Station in Wisconsin**

Alliant Energy Corporation's Wisconsin Power & Light (WPL) expects the plant to burn coal, switchgrass, corn stalks and waste wood. The Public Service Commission of Wisconsin is weighing the proposal, according to an Alliant press release.

<http://www.alliantenergy.com/docs/groups/public/documents/pub/p017007.hcsp>

### **Update: Full Commercial Operations at BP, NRG's 150 MW Sherbino Wind Farm Phase I in Texas October 20**

BP Wind Energy announced October 20 that 150 MW, or phase I of the project, had reached full commercial operations. The project has a potential capacity of 750 MW. BP Wind Energy constructed the facility through a joint-venture with an NRG Energy subsidiary.

[http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind\\_focus.story&STORY=/www/story/10-20-2008/0004906993&EDATE=MON+Oct+20+2008,+07:00+AM](http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/10-20-2008/0004906993&EDATE=MON+Oct+20+2008,+07:00+AM)

### **Innergex Renewable Energy Erects All 73 Wind Turbines at 109.5 MW Carleton Wind Farm in Quebec**

The company expects to begin commercial operations by November 30, 2008.

[http://www.innergex.com/teledocu/communiqués/com-081020-ine\\_e.pdf](http://www.innergex.com/teledocu/communiqués/com-081020-ine_e.pdf)

### **Calpine, Mitsui Announce Commercial Operation of 1,005 MW Gas-fired Greenfield Energy Centre in Ontario October 17**

Calpine Corporation and Mitsui & Mitsui & Co., Ltd.'s 1,005 MW gas-fired power plant began commercial operations, according to an October 17 press release.

<http://phx.corporate-ir.net/phoenix.zhtml?c=103361&p=irol-newsArticle&ID=1213615&highlight=>

### **EPCOR Utilities Cancels Planned 160 MW Wind Farm in Ontario**

EPCOR Utilities abandoned its plans, citing a lengthy approval process and regulatory concerns that rendered it "unable to meet the contract's conditions as a result of circumstances beyond its control."

<http://www.thestar.com/Business/article/519024>

## **ISO New England Releases 10-Year Plan for Regional Power System**

New England should have sufficient electric capacity through 2014, according to ISO New England's 2008 Regional System Plan, if all 34,077 MW of resources procured in New England's first Forward Capacity Auction in February continue to be available in future auctions. The report predicted that peak electricity demand in New England would be lower than the previous 10-year forecast, mostly as a result of smaller growths in personal income.

[http://www.iso-ne.com/news/pr/2008/rsp08\\_%20release\\_1017final.pdf](http://www.iso-ne.com/news/pr/2008/rsp08_%20release_1017final.pdf)

## ***Petroleum***

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### **Valero Says 80,000 b/d FCC near Planned Rates at 295,000 b/d Port Arthur, Texas Refinery October 20**

The 80,000 b/d gasoline-producing fluid catalytic cracker (FCC) is near planned rates, a spokeswoman said October 20. The unit shut ahead of Hurricane Ike.

Reuters, 11:40 October 20, 2008

### **Fire at Flint Hills Resources 288,126 b/d Corpus Christi, Texas Refinery October 17**

A seal leak caught fire at a recirculating pump for a tank containing gas oil, according to a filing with state regulators. The fire was extinguished and "valves were blocked in on both sides of the pump." The incident lasted one hour, but the filing did not indicate whether it impacted production.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115557>

### **Total Shuts SRU at 232,000 b/d Port Arthur, Texas Refinery October 16**

Total shut the No.1 sulfur recovery unit (SRU) October 16, just one day after it shut the No. 3 SRU.

Bloomberg News, 17:08 October 17, 2008

### **Boiler Shutdown at Alon's 67,000 b/d Big Spring, Texas Refinery October 17**

According to a filing with state regulators, a blower dp malfunction caused a boiler shut down. Operators repaired the dp transmitter and restarted the boiler. The incident lasted a little more than two hours.

Reuters, 09:06 October 20, 2008

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115551>

### **Suncor Energy's 70,000 b/d Sarnia, Ontario Refinery Resumes Full Output by October 20**

The company returned the refinery to full rates after performing maintenance on a gasoline hydrotreater and a hydrocracker. Workers began restarting the units earlier in October.

Bloomberg News, 10:05 October 20, 2008

### **Shell Reports Unscheduled Work at 100,000 b/d Scotford Refinery in Alberta, Canada October 17**

The company expected the work to trigger intermittent flaring, a spokesman said.

Bloomberg News, 15:13 October 17, 2008

### **Update: Interline Resources' Opens 5,000 b/d Northcut Refinery in Powder River Basin, Wyoming**

The refinery, which finished construction in July 2008, will employ local crude supplies and serve local products customers with off-road diesel, naphtha, and gasoline blendstock.

[http://www.istockanalyst.com/article/viewiStockNews+articleid\\_2711615.html](http://www.istockanalyst.com/article/viewiStockNews+articleid_2711615.html)

<http://www.interlineresources.com/News>

## Natural Gas

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### **Spectra Energy Plans Possible 275,000 Dth/d Greenway-Blue Ridge Expansion Along East Tennessee Natural Gas Pipeline System**

The company will hold an open season from October 20 through October 31. The project would provide up to 275,000 dekatherms per day (Dth/d) of new capacity, moving Appalachian natural gas from Southwest Virginia to East Tennessee Natural Gas' Cascade Creek interconnect with Transcontinental Pipeline in North Carolina. Spectra expects the expansion online as early as November, 2010.

<http://phx.corporate-ir.net/phoenix.zhtml?c=211014&p=NewsArticle&id=1214018>

### **Update: FERC Dismisses Quoddy Bay LNG's Application for LNG Terminal in Maine**

Citing Quoddy Bay LNG's failure to provide certain information, the Federal Energy Regulatory Commission (FERC) dismissed the company's application to construct the terminal. FERC also dismissed the company's application for an associated pipeline. Quoddy Bay's president said the decision was not surprising, but would, nonetheless, postpone the project by several years. He expected the terminal to open by 2014.

<http://www.fosters.com/apps/pbcs.dll/article?AID=/20081018/NEWS0104/810189989>

### **Update: Encana Boosts Security in Canada after Two Pipeline Blasts**

Encana has increased surveillance and boosted security at its facilities in Alberta, Canada, as the Royal Canadian Mounted Police (RCMP) continue to investigate last week's dual pipeline blasts. The attacks, according to one security expert, suggest Canada's weakly-monitored oil infrastructure is susceptible to further terrorist assaults.

<http://www.metronews.ca/edmonton/local/article/128117>

[http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20081019/pipeline\\_explosion\\_081019/20081019?hub=TopStories](http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20081019/pipeline_explosion_081019/20081019?hub=TopStories)

<http://www.cbc.ca/canada/british-columbia/story/2008/10/20/bc-suspicious-truck-pipeline-bombing.html?ref=rss>

## Other News

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### **DOE Study Says Recycled Nuclear Fuel Preferable to Stored Waste**

A Department of Energy (DOE) study found that under any alternative fuel plan, the United States does not have the capacity to store its nuclear fuel or radioactive waste. DOE would prefer to recycle spent fuel, but said any plans may necessitate extra storage for some forms of radioactive waste. DOE will subject the draft statement to public hearings in November and December.

<http://www.greenvilleonline.com/apps/pbcs.dll/article?AID=200881016011>

<http://www.platts.com/Nuclear/News/6987090.xml?p=Nuclear/News&sub=Nuclear>

### **Northern Ethanol Abandons Plans for 108 Million Gallon/Year Ethanol Plant in Barrie, Ontario**

Citing local opposition, Northern Ethanol canceled its plans for a 108 million gallon/year ethanol plant in Sarnia, Ontario. The company still planned to break ground next year on a separate, 108 million gallon/year facility in Sarnia, Ontario.

<http://www.biofuelsdigest.com/blog2/2008/10/17/canadas-northern-ethanol-cancels-barrie-project-proceeding-with-108-mgy-sarnia-plant/>

Energy Assurance Daily, September 3, 2008 for announcement of plant

## Energy Prices

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U.S. Oil and Gas Prices			
October 20, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	73.56	80.20	88.41
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.76	6.69	6.91

Source: Reuters

## Energy Notes

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### **About 19,000 NB Power Customers Lose Power in New Brunswick, Canada October 19**

<http://miramichileader.canadaeast.com/news/article/453430>

### **Millions Lose Power during Blackout in Venezuela October 19—Incident Does not Impact Oil Industry**

Reuters, 19:02 October 19, 2008

Bloomberg News, 15:21 October 19, 2008

### **Puget Sound Energy Receives 50-Year License from FERC for 190 MW Baker River Hydroelectric Power Project in Washington State**

<http://biz.yahoo.com/bw/081020/20081020005928.html?.v=1>

### **North Carolina Utilities Commission Approves Progress Energy Carolina's Proposal for 600 MW Gas-fired Power Plant in North Carolina**

<http://www.platts.com/Natural%20Gas/News/6987587.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

### **Update: South Carolina's Office of Regulatory Staff to Recommend State Public Service Commission Approve SCE&G, Santee Cooper's Proposed Nuclear Reactors at V.C. Summer Nuclear Station**

<http://www.nbcaugusta.com/news/local/31166944.html>

### **SolarWorld Opens Continent's Largest Solar Cell Manufacturing Facility in Oregon—Expected to Reach 500 MW Capacity by 2011**

<http://www.solarworld-usa.com/SolarWorld-Opens-North.2679.0.html>

### **Renewable Sources to Account for 70 Percent of Hawaii's Energy by 2030 Under Plan to be Announced by Hawaiian Governor, Hawaiian Electric Company**

<http://hawaii.gov/gov>

### **Update: Indiana Court of Appeals Upholds Regulatory Okay of Duke Energy's Planned 630 MW Coal Gasification Power Plant in Edwardsport, Indiana**

[http://biz.yahoo.com/ap/081017/in\\_coal\\_gasification\\_appeal.html?.v=1](http://biz.yahoo.com/ap/081017/in_coal_gasification_appeal.html?.v=1)

### **Economic Downturn to Set Back Dismantling of Exelon's Zion Nuclear Power Plant in Illinois by as Long as 15 Months**

<http://www.chicagotribune.com/news/local/chi-zion-17-oct17.0.4145965.story>

**Progress Energy Estimates Proposed Shearon Harris Nuclear Power Reactors in North Carolina would Cost Customers \$9.3 Billion—Figure is Double Prior Forecast**

[http://www.yourindustrynews.com/reactors+likely+to+cost+\\$9+billion:+progress+energy+doubles+estimate\\_13154.html](http://www.yourindustrynews.com/reactors+likely+to+cost+$9+billion:+progress+energy+doubles+estimate_13154.html)

**Wisconsin Industrial Energy Group Says Alliant's Proposed Coal-fired Power Plant in Wisconsin too Expensive**

<http://www.jsonline.com/story/index.aspx?id=807418>

**Flaring at Valero's 166,000 b/d Paulsboro, New Jersey Refinery October 17**

Bloomberg News, 11:45 October 19, 2008

**Valero Reports Flaring, Unplanned Work at 142,000 b/d Corpus Christi, Texas Refinery October 17**

Bloomberg News, 18:16 October 17, 2008

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115550>

**Update: Pasadena Refining Systems Reports Flaring During FCC Restart after Hurricane at 100,000 b/d Pasadena, Texas Refinery October 18**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115554>

**Global Crude Demand Could Drop for First Time in 15 Years in 2008—Centre for Global Energy Studies**

Bloomberg News, 08:12 October 20, 2008

**Oil Price under \$70/Barrel Would Postpone or Eliminate Many Oil Projects Worldwide—OPEC President**

Reuters, 12:07 October 20, 2008

**Algeria Says Oil Market is Oversupplied by 2 Million b/d, Suggesting Significant Slash to OPEC Output**

[http://www.ft.com/cms/s/0/064af77c-9e4f-11dd-bdde-000077b07658.html?nclick\\_check=1](http://www.ft.com/cms/s/0/064af77c-9e4f-11dd-bdde-000077b07658.html?nclick_check=1)

**Explosions Kill Two Men at Ohio Oil Well October 19**

<http://ap.google.com/article/ALeqM5j8ajHTPpghJrnyXWmDqIlfh9jHAD93U7V700>

**TEPPCO Says Increased System Inventories will allow it to Sustain “Open Stock Status” on Regular Unleaded Gasoline Deliveries**

Reuters, 10:23 October 20, 2008

**Safety-Kleen to Boost Capacity at Illinois Re-Refinery from 60 Million Gallons in 2006 to 70 Million Gallons/Year**

<http://www.safety-kleen.com/AboutUs/news/Pages/preastchicagorefinery.aspx>

**Update: NOAA Contends FERC's Conditional Approval of Bradwood Landing LNG Terminal Violates Endangered Species Act**

[http://www.oregonlive.com/business/index.ssf/2008/10/noaa\\_fisheries\\_says\\_ferc\\_viola.html](http://www.oregonlive.com/business/index.ssf/2008/10/noaa_fisheries_says_ferc_viola.html)

**Turbine Shutdown at Goldsmith Gas Plant in Texas October 18**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115563>

**Acid Gas Compressor Shutdown at Waha Gas Plant in Texas October 17**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=115543>

**Power Surge Causes Boiler Shutdown, Upset Condition at Tank 23 at King Ranch Gas Plant in Texas October 17**

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=115558>

**U.S. Operators Boosted Dry Natural Gas Reserves by 46.1 Tcf in 2007, More than Doubling 19.5 Tcf Production—EIA**

<http://www.pennenergy.com/index/articledisplay/us-replaced-more-than-twice-2007-gas-used/342952/s-articles/s-oil-gas-journal/s-general-interest/s-1.html>

**Southern Plans Shut-in Test, Force Majeure Event at Bear Creek Natural Gas Storage Field in Louisiana October 21-October 27**

<http://ixsnp.sonetpremier.com/ebbSNG/Notices/NoticeView.asp?sPipelineCode=SNG&sSubCategory=C&sNoticeId=27055&sIdentifier=10/20/2008#3>

**Interior Department Releases EIS for Revised Rule Governing Disposal of Debris from Mountaintop Mining--Rule Asks Companies to Avoid Dumping within 100 Feet of Streams, or Demonstrate Why That is Not Possible**

<http://www.washingtonpost.com/wp-dyn/content/article/2008/10/17/AR2008101702942.html>

**Assailants Kidnap Nine Chinese Oil Workers in Sudan, Officials Say October 19**

Reuters, 16:40 October 19, 2008

**Update: Iraq's Basra Crude Exports Remain Slowed by About 200,000 b/d after Power Disruption Last Week—Shipping Agent**

Reuters, 10:57 October 20, 2008

**Northern Offshore Reports Small Fire at Energy Enhancer Jackup Rig in U.K. Sector of North Sea—Fire Contained, Extinguished, no Injuries Sustained**

<http://phx.corporate-ir.net/phoenix.zhtml?c=157788&p=irol-newsArticle&ID=1214073&highlight=>

**Mexico's Dos Bocas and Coatzacoalcos Oil Export Ports in Gulf of Mexico Reopen October 20 after Weather-Related Closures**

Reuters, 11:25 October 20, 2008

**Repsol, ConocoPhillips to Develop 240 Million Barrel Heavy Crude Block 39 in Peru—Repsol Eyes 2012 Start Date as Block Could Produce up to 21,000 b/d**

Bloomberg News, 11:24 October 20, 2008

**Update: BP Has Small List of "Three or Four" Candidates for New CEO of TNK-BP**

<http://www.ft.com/cms/s/0/c8452084-9e11-11dd-bdde-000077b07658.html>

<http://online.wsj.com/article/SB122440733486147999.html>

**China to Construct More than 90,000 Miles of O&G Pipelines Over Next 12 Years—China International Pipeline Exhibition**

[http://www.rigzone.com/news/article.asp?a\\_id=68024](http://www.rigzone.com/news/article.asp?a_id=68024)

**Cuba Could Have More than 20 Billion Barrels of Recoverable Crude Reserves in Gulf of Mexico—State Oil Officials**

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

## Links

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***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](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](mailto:ead@oe.netl.doe.gov)