



ENERGY ASSURANCE DAILY

Wednesday Evening, July 22, 2009

Electricity

Accident Reported at Oroville Dam in California Injures Five Workers, Adjacent 760 MW Hyatt Hydro Plant Shut July 22

A steel wall inside the Oroville Dam tunnel collapsed earlier today, shutting down water flow and electricity generation at the adjacent power plant site which has an installed capacity of 760 MW. The California Emergency Management Agency reported an explosion occurred during a test of a valve within the power house today which injured five workers. Authorities report no threat of flooding due to the incident which is currently under investigation.

http://www.mercurynews.com/news/ci_12891535

Bloomberg News 15:21 July 22, 2009

Equipment Failure Reported in Malibu, California Area Knocks Out Power to 74,000 Southern California Edison Customers July 21

According to media reports, Southern California Edison (SCE) reported an equipment failure at its Moorpark substation that caused a significant outage in the Malibu area. About 74,000 customers lost power for approximately two minutes, in which power was restored to all by 5,000 remaining SCE customers.

<http://latimesblogs.latimes.com/lanow/2009/07/power-outage-hits-malibu-and-environs.html>

Update: Exelon's 1,111 MW La Salle Nuke Unit 1 in Illinois Ramped Up to 31 Percent by July 22

The unit shut on July 18 so workers could replace a seal on a water circulation pump. The Nuclear Regulatory Commission reported that on the morning of July 21 the unit was not operating.

Reuters, 07:29 July 22, 2009

Information derived from the NRC Power Reactor Status Reports:

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

Southern Company Considers Building New Nuclear Power Plant, Plans to File for Construction License with NRC

Southern Company announced plans recently to file for a combined construction and operating license from the Nuclear Regulatory Commission (NRC) in 2011 for construction of a new nuclear power plant.

http://blog.al.com/businessnews/2009/07/southern_co_aims_to_build_anot.html

Bloomberg News, 10:59 July 22, 2009

FERC Chairman Says FERC Needs More Authority over Planning of Transmission Lines to Ensure Reliability as Nation Develops More Renewable Sources

The chairman of the Federal Energy Regulatory Commission said in a speech July 21 that the Commission needs additional authority over the development of transmission infrastructure necessary to bring renewable energy onto the grid from remote areas of the country. Chairman Wellinghoff said specifically some additional federal transmission planning, siting and cost allocation authority would help achieve federal and state renewable energy goals.

<http://www.ferc.gov/news/statements-speeches/wellinghoff/2009/07-20-09-wellinghoff.asp>

Bloomberg News, 14:10 July 22, 2009

Southwest Power Pool Seeks Importers of its Expected 47,000 MW Increase in Wind Generation over Next Decade

The Southwest Power Pool (SPP) announced recently it expects the amount of wind generation within its area to increase from the current 3,000 MW to over 50,000 MW in the coming years. With the increase in wind energy production, SPP is seeking markets for which to export this generation. In the early planning stages, SPP recently unveiled “transmission superhighway” projects that could bring large amounts of power to population centers such as Atlanta, Chicago and the U.S. Northeast.

Reuters, 15:31 July 22, 2009

Petroleum

Nigeria’s Oil Minister Says Country is Losing 1 Million b/d of Oil Production due to Violence and Unrest in Niger Delta

On average, Nigeria is losing 1 million b/d in production due to the unrest in the Niger Delta area, the country’s Oil Minister reported recently. The official said Nigeria’s oil production has dropped to between 1.4 million – 1.5 million b/d, well below its assigned OPEC quota of 2.29 million b/d.

<http://www.platts.com/Oil/News/8733564.xml?p=Oil/News&sub=Oil>

Update: Fire Reported within Alkylation Unit at Citgo’s 156,000 b/d Corpus Christi, Texas Refinery July 19 Now Extinguished Authorities Report

A fire that broke out in an alkylation unit at Citgo’s Corpus Christi refinery the morning of July 19 has been extinguished according to authorities with the U.S. Chemical Safety Board. The company reported that it shut a fluid catalytic cracker carbon monoxide boiler stack following the fire.

Bloomberg News, 11:58 July 22, 2009

Update: Eni SpA Lifts Force Majeures Declared in June and July Declared Originally Due to Pipeline Sabotage

According to a company spokesperson, Eni SpA has lifted two force majeure on Nigeria oil pipelines it declared in June and July. In June, Eni declared force majeure on a pipeline to the Bass export terminal due to sabotage.

Dow Jones Newswire, 09:24 July 22, 2009

Natural Gas

FERC Authorizes Maritimes & Northeast Pipeline to Export Gas to Canada

The Federal Energy Regulatory Commission (FERC) authorized a request brought forward by Maritimes & Northeast Pipeline to use its existing facilities to export natural gas from the U.S. to Canada. The company has been requesting the commission’s permission since April 2009 in part to address the maintenance shutdown of gas production from the Sable Offshore Energy Project off of Nova Scotia. Sable field offshore Nova Scotia supplies about 14 percent of the gas used in the U.S. Northeast

<http://www.platts.com/Natural%20Gas/News/6460063.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Natural Gas Intelligence's Daily Gas Price Index July 22, 2009 <http://intelligencepress.com/>

Fire Reported at Southern Union Gas Plant in Texas July 17

Local fire authorities in Kermit, Texas reported a fire at the Southern Union Gas Plant July 17. The fire was contained the following day and then extinguished two days later. No injuries were reported and it was not known immediately how much damage the plant sustained.

<http://www.newswest9.com/Global/story.asp?S=10748027>

Gas Pipeline Puncture Shuts Down Traffic along Major Highway and Bridge in Florida, Causing Evacuation of Nearby Businesses July 21

A six-inch diameter Florida City Gas Company natural gas pipeline was punctured the morning of July 21 and it temporarily shut down traffic on U.S. 1 north of the Roosevelt Bridge and caused the evacuation of a group of buildings in the afternoon on July 21. The pipeline was accidentally hit by a backhoe but has since been patched. No injuries were reported.

<http://www.tcpalm.com/news/2009/jul/21/gas-pipeline-puncture-leads-detours-small-evacuati/>

Other News

Train Crashes into Loading Facility at Coal Preparation Plant in West Virginia July 21

The Norfolk Southern freight train derailed and hit a support at a loading facility causing it to collapse at Alpha Natural Resources's Black Bear Preparation facility.

<http://www.google.com/hostednews/ap/article/ALeqM5hfWvuYdLmxA00KeVE-2ItHPhAN9AD99IV8P00>

Automaker Group Opposes E15 Waiver Request

The Association of International Automobile Manufacturers (AIAM) filed comments July 20 with the Environmental Protection Agency (EPA) opposing a waiver request that would allow the ethanol content of gasoline to be increased from 10% (E10) to 15% (E15). The Group wants more tests to ensure that higher ethanol blends will not have unintended negative consequences, such as problems with vehicle emissions control equipment, drivability issues, and lower fuel economy. The group also wants tests to ensure no negative impacts to fuel production, distribution and marketing infrastructure.

http://www.aiam.org/public/doclibrary/pressreleases/AIAM_E15Comments.pdf

Update: NRC to Continue Review of Proposed Yucca Mountain Nuclear Waste Repository

The Nuclear Regulatory Commission (NRC) will press ahead with its review of a license for the proposed Yucca Mountain Nuclear Repository site in Nevada, NRC chairman Gregory Jaczko said July 21. The announcement comes even as the Obama administration has made clear it is abandoning the project,

<http://www.google.com/hostednews/ap/article/ALeqM5jPoKykY1G1IXzp2MBc-Ndq0d2dgQD99I4MMG1>

Energy Prices

U.S. Oil and Gas Prices			
July 22, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	64.58	61.65	126.75
NATURAL GAS Henry Hub \$/Million Btu	3.49	3.37	10.58

Source: Reuters

Energy Notes

Update: 17,000 Xcel Energy Customers Remain without Power in Denver Colorado Area July 22 Following Severe Storms on July 20 that Knocked Out Power to Over 50,000

<http://www.kdvr.com/news/kdvr-poweroutages-072109.0.1783147.story>

Westar Energy Reported 11,023 Customers in Kansas Without Power Early Morning July 21, All but 38 Have Since Been Restored July 22

<https://www-11.westarenergy.com/outagemaps/outagetable.asp>

Flint Hills Resources Warns of Flaring for Unscheduled Work on Butane Line at its 288,126 b/d Corpus Christi West, Texas Refinery

<http://www-11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=127074>

Bloomberg News, 14:37 July 21, 2009

Update: Report Slams TVA Handling of Coal Ash Storage, Says ‘Necessary Systems, Controls and Culture Not in Place’

<http://blog.taragana.com/n/consultants-hired-by-tva-after-spill-find-widespread-problems-with-utilities-coal-ash-storage-116630/>

Update: AREVA/Bechtel Consortium, UniStar Agree on Engineering, Procurement and Construction (EPC) Term Sheet for Calvert Cliffs 3 Nuclear Energy Facility in Maryland

<http://www.bechtel.com/2009-07-21.html>

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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