



ENERGY ASSURANCE DAILY

Tuesday Evening, January 05, 2010

Electricity

Equipment Snag Cuts Power to at Least 25,000 Rocky Mountain Power Customers in Idaho January 4

The company restored power to all affected customers within two hours, a news source said.

<http://www.kidk.com/news/local/80642667.html>

FPL's 565 MW Duane Arnold Nuke Unit in Iowa Reduced to 70 Percent by January 5

The Nuclear Regulatory Commission reported that on the morning of January 4 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

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

Luminant to Reduce 593 MW Monticello Coal-fired Unit 1 in Texas January 5

Operators planned to reduce the unit as they shut a water seal "to confirm the presence of a suspected tube leak," according to a filing with state regulators. It was not clear when the unit might resume normal service.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=133954>

AES's 226 MW Huntington Beach Gas-fired Unit 2 in California Shut by January 4

According to the California Independent System Operator, the unit reported an unplanned outage by January 4.

<http://www.caiso.com/unitstatus/data/unitstatus201001041515.html>

Update: PSE&G's 1,096 MW Salem Nuke Unit 1 in New Jersey at Full Power by January 5

The unit slowed to 80 percent power on January 3 "because it was taking ice into its cooling mechanism," a previous news source said. The Nuclear Regulatory Commission reported that on the morning of January 4 the unit was operating at 80 percent.

<http://cbs3.com/wireapnewsnj/NJ.s.Salem.2.1403766.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Update: PSE&G's 1,092 MW Salem Nuke Unit 2 in New Jersey Ramped Up to 49 Percent by January 5

The unit shut early on January 3 "because it was taking ice into its cooling mechanism," a previous news source said. The Nuclear Regulatory Commission reported that on the morning of January 4 the unit was not operating.

<http://cbs3.com/wireapnewsnj/NJ.s.Salem.2.1403766.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Update: Luminant to Restart 793 MW Martin Lake Coal-fired Unit 2 in Texas January 4

The unit shut due to a boiler tube leak by January 2, previous sources said.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=133855>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=133856>

Reuters, 9:32 January 4, 2010

Reuters, 08:32 January 4, 2010

AEP to Restart 721 MW Pirkey Coal-fired Power Plant in Texas January 4-9

The unit tripped “due to boiler feed control problems,” by January 4, the company said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=133879>

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=133880>

Rod Indicators at Issue as Some Question Safety at FPL’s 1,520 MW Turkey Point Nuclear Power Plant in Florida

A senior licensed operator resigned over safety concerns at FPL’s Turkey Point nuclear power plant in Florida, and a source from the Institute of Nuclear Power Operations referred to the site’s control rod indicators as aged and “not very reliable,” according to a news source. The Nuclear Regulatory Commission (NRC), however, said the company had upgraded the rods at one of the site’s two units, and planned to upgrade the other unit next year.

<http://www.miamiherald.com/business/business-monday/v-fullstory/story/1407423.html>

Update: PSEC, LLC to Open 1,600 MW Coal-fired Power Plant in Illinois by June 2012

Prairie State Energy Campus (PSEC), LLC plans to open the site’s first 800 MW unit in August 2011 and its second 800 MW unit by June 2012, a news source said. The site was initially expected to enter service by 2007. PSEC, LLC is a joint venture of Peabody Energy and eight public power agencies, according to its website.

<http://www.prairiestateenergycampus.com/pages.asp?pagemainlevel=6&pageid=57>

<http://www.stltoday.com/stltoday/business/stories.nsf/story/2348C14F38D7FAB8862576A200102815?OpenDocument>

Update: Sempra and BP Open 200 MW Phase II at Fowler Ridge Wind Farm in Indiana

Sempra Generation and BP Wind Energy opened the phase in December 2009, a news source said. BP Wind Energy and Dominion launched the site’s 400 MW first phase in April 2009.

<http://www.courierpress.com/news/2010/jan/04/4web-Vectren/>

Basin Electric Completes 115.5 MW PrairieWinds 1 Wind Farm in North Dakota December 30

http://www.basinelectric.com/News_Center/Publications/News_Releases/Minot_wind_project_in_full_operation.html

http://www.basinelectric.com/News_Center/Publications/News_Releases/Minot_wind_project_becoming_operational.html

Update: National Park Service Declares Nantucket Sound Eligible for Historic Designation, Dealing New Blow to Energy Management’s Planned Cape Wind Power Project

The National Park Service declared the Nantucket Sound eligible for placement on the National Register of Historic Places on January 4, dealing a new setback to Energy Management Inc.’s planned 420 MW Cape Wind power project offshore Massachusetts, multiple sources said. The move could force the company to relocate the project. Two area tribes had requested the Park Service review, arguing that offshore turbines would interfere with a sunrise-greeting ritual and disrupt burial sites. Interior Secretary Ken Salazar, in response, gave the sides until March 1 to strike a deal. Should they fail, Salazar could determine the plan’s fate himself.

<http://www.nytimes.com/2010/01/05/science/earth/05wind.html>

<http://www.wbur.org/2010/01/05/cape-wind-3>

<http://www.capewind.org/modules.php?op=modload&name=Sections&file=index&req=viewarticle&artid=24&page=1>

Petroleum

Update: Power Outage Shuts Hydrocracker at Sinclair Oil’s 80,000 b/d Sinclair, Wyoming Refinery December 31—Facility to Run at Partial Rates through Most of January

The power outage occurred as operators attempted to repair the facility from a separate, December 9 power snag, a news source said. The facility was running at about 50 percent capacity, as of January 5, and the company expected it to remain at partial rates through most of the month.

Reuters, 10:58 January 5, 2010

Tesoro Extinguishes Small Fire at 58,000 b/d Salt Lake City, Utah Refinery January 4

A pump snag triggered a small fire, but Tesoro's on-site fire brigade extinguished the blaze in less than 14 minutes, a refinery official said. The incident was thought to have caused only minor damage, he said. It was not clear if it had any impact to production.

<http://www.localnews8.com/Global/story.asp?S=11767433>

<http://www.reuters.com/article/idUSN0526569320100105?type=marketsNews>

Fire at Hunt Refining's Sandersville, Alabama Refinery January 4

The blaze occurred in an asphalt-making unit, but most of the site's remaining units remained online, a news source said. The fire was extinguished in about one hour. The company expected to return the affected segment to service by the end of the week.

http://www.leadercall.com/local/local_story_005105423.html

Bloomberg News, 12:51 January 5, 2010

FCC Shutdown Causes Flaring at ConocoPhillips' 247,000 b/d Belle Chasse, Louisiana Refinery January 4

The gasoline-producing fluid catalytic cracker (FCC) shut for unknown reasons, a police spokesman said.

Bloomberg News, 12:00 January 5, 2010

Valve Malfunction Triggers Flaring at Husky Energy's 146,200 b/d Lima, Ohio Refinery January 4

The incident was "minor," according to a filing with state regulators.

Bloomberg News, 13:08 January 5, 2010

Renaissance Alaska LLC Plans 50,000 b/d Production at Umiat Oilfield in Alaska

The company expects to recover 250 million barrels of oil, and deliver the crude via pipeline to the existing Trans-Alaska Pipeline System, according to a news source.

http://www.rigzone.com/news/article.asp?a_id=85002

U.S. Oil Products Imports Drop 1 Million b/d in October 2009, Month-on-Month, as Nation Nears Net Export Status

U.S. oil and refined product imports dropped 2.45 million b/d, year-on-year, in October 2009, as the nation imported just 176,000 b/d more than it exported, a news source said. U.S. imports outpaced exports by 1.5 million in October 2008 and 1.88 million b/d in October 2007.

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

Pemex Shuts Coker after Fire at 162,000 b/d Madero, Mexico Refinery December 31

The rest of the facility was running normally, Pemex said.

Reuters, 14:10 January 4, 2010

Harsh Weather Forces Shut Mexico's Three Main Oil Ports in Gulf of Mexico January 5

Mexico shut its Dos Bocas, Coatzacoalcas and Cayo Arcas oil ports in the Gulf of Mexico on January 5, it said.

Reuters, 11:11 January 5, 2010

Natural Gas

El Paso's Tennessee Natural Gas Pipeline Issues Operational Flow Order, Citing Cold Weather and Force Majeure

El Paso Corp declared an operational flow order along its Tennessee natural gas pipeline system, citing cold weather in the eastern United States and a force majeure at its station 47, a news source said. The company planned to change filters at station 47, and said the work would reduce the site's throughput by about 450,000 Dth/d. The Tennessee Gas Pipeline delivers natural gas from the Gulf of Mexico, Texas, Appalachia and Canada to U.S. Midwest and mid-Atlantic consumers. It stretches almost 14,000 miles.

Reuters, 16:42 January 4, 2010

<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=129451&sParam9=D&details=Y>

Other News

Pirate Tanker Attacks Rise 40 Percent in 2009—IMB

Pirates attacked 42 oil-carrying tankers, worldwide, in 2009—a 40 percent rise from 2008—but only two of the attempted hijackings were successful, the International Maritime Bureau's (IMB) Piracy Reporting Centre said by January 4. Most of the incidents occurred offshore Somalia and the Arabian Peninsula; one IMB official said the pirates had expanded their attacks to the Gulf of Aden, the Arabian Sea and the Indian Ocean. At least one oil company, Moller-Maersk, said it had hired a Tanzanian navy ship in 2008 to protect its "Brigit Maersk" tanker offshore Somalia.

http://www.downstreamtoday.com/news/article.aspx?a_id=20260

http://www.worldtribune.com/worldtribune/WTARC/2010/me_oil0004_01_04.asp

<http://www.reuters.com/article/idUSLDE60416220100105?type=marketsNews>

Update: Tharaldson Ethanol Sees Full Capacity within Weeks at 100 MMGal/Yr. Ethanol Plant near Casselton, North Dakota

The site began production a year ago, but equipment problems forced operators to run it at less than half its stated capacity, a company official said. The company has repaired the faulty gear, and expects to ramp the plant up to full production by the end of January or beginning of February, 2010, according to the official.

http://www.kfgo.com/news_Detail.php?ID=10238

Update: Sunoco to Repair, Restart 100 MMGal/Yr. Volney, New York Ethanol Plant by June or July 2010

Sunoco bought the plant in June 2009. The site—currently offline—was expected to produce 100 MMGal/Yr. of ethanol but, due to design issues, it never reached full capacity. Sunoco hired a firm last year to correct the problem.

http://www.9wsyr.com/news/local/story/Ethanol-plant-hopes-start-producing-in-2010/r_tncyPUOAcIoblewVSQ.csp

Energy Prices

U.S. Oil and Gas Prices			
January 5, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.			
\$/Barrel	81.65	78.72	47.73
NATURAL GAS			
Henry Hub			
\$/Million Btu	6.09	5.91	5.41

Source: Reuters

Energy Notes

Power Outage Stalls Flights for about One Hour at Ronald Reagan National Airport in Washington, D.C. January 4

<http://www.nowpublic.com/world/power-outage-reagan-airport-flights-halted-security-elevated-2550624.html>

APS Declares Unusual Event, but Sees no Damage after Earthquake Near 3,872 MW Palo Verde Nuclear Power Plant in Arizona December 30

<http://www.reuters.com/article/idUSN3124363020091231?type=marketsNews>

Dominion Virginia Power to Spend \$4 Billion in Electric Improvements and Expansions over Three-Year Span

<http://dom.mediaroom.com/index.php?s=43&item=828>

Update: Entergy, NRC Reach Deal to Allow Company to Keep 1,299 MW Indian Point Nuclear Power Unit in New York Offline for up to 50 Years as it Raises Money for Decommissioning—Plant's Current License Expires in 2013

<http://www.recordonline.com/apps/pbcs.dll/article?AID=/20100103/NEWS/1030331>

Thieves Take Copper Wire at BPA Substation in Washington by December 29

<http://www.heraldnet.com/article/20100102/NEWS01/701029928>

Tesoro Sees No Impact to Production after Tank Leaks 4,600 Barrels of Naphtha at 97,000 b/d Wilmington, California Refinery January 4

<http://online.wsj.com/article/BT-CO-20100105-705659.html>

Fire Burns about 2,000 Barrels of Oil near Luling, Texas by January 2

http://www.news8austin.com/content/your_news/default.asp?ArID=262838

Pipe Falls on Trailer, Kills Worker at Oil Field in Oklahoma January 1

<http://www.clickorlando.com/news/22109372/detail.html>

Update: Crowley Marine Says Tugboat Spilled up to 6,410 Gallons of Diesel Fuel in Prince William Sound, Alaska on December 23

<http://abcnews.go.com/Business/wireStory?id=9480368>

Oil Companies on High Alert in Yemen as Local Al-Qaeda Branch Issues Threats

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

Black Sea, Offshore Turkey, Contains Estimated 10 Billion Barrels of Oil—News Source

http://www.rigzone.com/news/article.asp?a_id=85022

Tanzanian Likonde Prospect Contains Estimated 150 Million Barrels of Recoverable Crude-Aminex

http://www.rigzone.com/news/article.asp?a_id=84972

Operators Complete Welding Repairs, Plan Restart at Eustace Gas Plant in Texas January 4-5

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=133925>

Engine Shuts at Gin Booster Station in Texas January 4

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=133943>

Chesapeake Boosts 2011 Natural Gas Production Outlook by 50 MMcfe/d, Citing “Anticipated Ongoing Outperformance of Our Drilling Programs”

<http://www.marketwatch.com/story/total-chesapeake-ink-225-billion-shale-gas-pact-2010-01-04?siteid=rss&rss=1>

Avista Forecasts Sufficient Natural Gas Supplies until 2018-2019 in Oregon, and 2022-2023 in Washington and Idaho

<http://avistacorp.mediaroom.com/index.php?s=43&item=1002>

U.S. Coast Guard Assessing Tanker Security as Boston Harbor Expects to Receive LNG from Yemen in February 2010

http://www.boston.com/news/local/massachusetts/articles/2009/12/31/yemen_gas_shipments_to_boston_stir_worry/

Update: Woodside Does Not Expect Browse Basin LNG Project Offshore Australia to Enter Service by 2012, as Previously Thought

<http://www.arabtimesonline.com/NewsDetails/tabid/96/smld/414/ArticleID/147729/reftab/149/Default.aspx>

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