



ENERGY ASSURANCE DAILY

Thursday Evening, January 06, 2011

Electricity

Update: Calpine's 525 MW Sutter Gas-Fired Unit in California Ramps up by January 5

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 265 MW.

<http://www.caiso.com/unitstatus/data/unitstatus201101051515.html>

Update: AES's 225 MW Huntington Beach Gas-Fired Unit 3 in California Returns to Service by January 5

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201101051515.html>

Xcel to Shut 540 MW Tolk Coal-Fired Unit 2 in Texas January 6 – March 14

Xcel plans to shut the unit for multiple activities including “tube replacement, preheater basket replacement, valve repair, and boiler cleaning,” the company said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=148845>

Pump Problems Push Back Wisconsin Energy's Plans to Open 615 MW Oak Creek Coal-Fired Unit 2 in Wisconsin

Problems “with one of two main boiler feed pumps” will prevent Wisconsin Energy Corp. from assuming operation of the new unit until the end of January 2011, according to a company filing and the San Francisco Business Times. Bechtel Corp., the unit’s builder, is working to resolve the issues. Wisconsin Energy had expected to take over the operations from Bechtel by the end of November; that target was later pushed back into December.

<http://www.bizjournals.com/milwaukee/news/2011/01/05/2-billion-bechtel-power-plant.html>

Petroleum

Update: Government and Companies to Blame for Macondo Well Blowout in U.S. Gulf of Mexico: National Oil Spill Commission

The fatal April blowout at the Macondo well in the U.S. Gulf of Mexico was “not the product of a series of aberrational decisions made by rogue industry or government officials,” but rather the result of multiple “individual missteps and oversights by BP, Halliburton, and Transocean, which government lacked the authority, the necessary resources, and the technical expertise to prevent,” the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling said as it released the first chapter of its upcoming full report on the tragedy. The Commission warned that without “significant reform in both industry practices and government policies,” the “root causes” of the disaster “might well recur.”

<http://www.oilspillcommission.gov/sites/default/files/documents/Advance%20Chapter%20on%20BP%20Well%20Blowout%20Investigation%20Released.pdf>

http://online.wsj.com/article/SB10001424052748704415104576065602870469870.html?mod=googlenews_wsj

Sunoco Slows 59,500 b/d FCC at 330,000 b/d Philadelphia, Pennsylvania Refinery by January 6

Sunoco reduced the gasoline-producing fluid catalytic cracking unit (FCC) by about 25 percent, traders said. It was not clear why the unit shut or when the company expected to resume normal operations.

Reuters, 11:56 January 6, 2011

Update: Crane Collapse Leads to Unit Shutdowns at Motiva's 285,000 b/d Port Arthur, Texas Refinery by January 6

A crane collapse led to the shutdown of multiple units – all the vacuum distillation units and a crude unit – and the reduction of a gasoline-making fluid catalytic cracking unit (FCC) at Motiva's 285,000 b/d Port Arthur, Texas refinery, sources familiar with the facility's operations said on January 6. The collapse occurred on January 4. It was not clear if the units went offline on the 4th, or if the company shut the units on the 6th. The crane was lifting pipes as part of an expansion project; the project is, by early 2012, expected to boost the refinery's capacity to 600,000 b/d. There were no injuries.

<http://www.reuters.com/article/idUSN0529238720110105>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=149099>

Reuters, 11:47 January 6, 2011

Snag Causes Flaring at ExxonMobil's 149,500 b/d Torrance, California Refinery January 6

A "compressor malfunction" led to flaring at ExxonMobil's 149,500 b/d Torrance, California refinery on January 6, but the facility was operating at normal capacity, according to a state regulatory filing.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/056f87c44f804ef8825781000618f94?OpenDocument>

Reuters, 12:36 January 6, 2011

Delek Reports Unplanned Work at 60,000 b/d Tyler, Texas Refinery January 5-8

Delek is performing unplanned maintenance on the Amine Unit, the company said in a filing with state regulators. It was not clear if the incident had any impact on production.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=149105>

Natural Gas

Update: Enterprise Products to Restart Propane Pipeline in New York, Ease Supply Issues across U.S. Northeast: EIA

Enterprise Products Partners LP received regulatory authorization to restart its Watkins Glen-to-Marathon, New York propane pipeline, and that restart should start to ease propane supply problems across the U.S. Northeast, the U.S. Energy Information Administration said on January 5. A leak forced shut the pipeline in late August. The line delivers propane to a terminal in Harford Mills, New York.

Reuters, 17:56 January 5, 2011

Apache Corporation Begins Production at Balboa Oil-and-Gas Field in Deepwater Gulf of Mexico by January 6 – Field Producing About 30 MMcf/d of Natural Gas, 1,400 b/d of Oil

The field is located in estimated water depths of 3,350 feet, approximately 130 miles south of Galveston, Texas.

<http://investor.apachecorp.com/releasedetail.cfm?ReleaseID=542103>

Other News

AQT Solar Plans Solar Cell Manufacturing and Production Facility in Richland County, South Carolina

AQT Solar expects the plant to produce approximately 1 GW of copper-indium-gallium-diselenide (CIGS) thin-film solar cells per year. The facility would begin production by the beginning of 2012, and reach full annual capacity by the end of 2014.

http://www.aqtsolar.com/images/stories/aqt/pr/aqt_pr_1-6-2011.pdf

Massey Energy Coal Production Falls 800,000 Tons Short of Expectations during Fourth Quarter 2010

Massey Energy Company shipped just 8.9 million tons of coal in the fourth quarter of 2010, or 1.4 million tons less-than-planned, as quarterly production fell short of expectations by approximately 800,000 tons, it said on January 5. The company blamed the shipment shortfall on lower-than-anticipated production, inconsistent rail service, and delays of export shipments at ports. It blamed the slower production on fewer production shifts in deep mines, lower-than-anticipated productivity from deep mines and highwall miners, and higher ratios at surface mines.

<http://phx.corporate-ir.net/phoenix.zhtml?c=102864&p=irol-newsArticle&ID=1513334&highlight=>

Energy Fuels Receives Authorization from State Health Officials for Proposed Pinon Ridge Uranium Mill in Colorado

Energy Fuels Inc expects to open the Pinon Ridge uranium mill, along with the Whirlwind Mine in Colorado and the Energy Queen Mine in Utah, as early as the first half of 2012. The facility would process as much as 500 tons/day of uranium and vanadium ore.

<http://www.msnbc.msn.com/id/40930631>

Energy Prices

U.S. Oil and Gas Prices			
January 6, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	88.39	89.37	82.84
NATURAL GAS Henry Hub \$/Million Btu	4.52	4.19	6.19

Source: Reuters

Energy Notes

Winds, Rain Cut Electricity to about 15,000 TECO Customers, More Than 5,000 Progress Energy Customers in Florida January 5-6

<http://www.tampabay.com/news/weather/rain-and-cold-strong-winds-knock-out-power-for-thousands-across-bay-area/1143853>

Attempted Copper Thief Allegedly to Blame as 450 HECO Customers Lose Power in Hawaii January 5 – Suspected Thief Critically Injured

http://www.khon2.com/news/local/story/Suspected-copper-thief-cuts-live-wire-causes/vtEmg0Zk_k2RQb7q624nXw.csp

AES Energy Storage Announces Commercial Operation of 8 MW Battery-Based Storage System in Johnson County, New York January 6 – Company to Expand Project to 20 MW in 2011

<http://finance.yahoo.com/news/AES-Energy-Storage-Announces-bw-1460321280.html?x=0&v=1>

BP Wind Energy Says Gunfire Damaged Wind Turbine Twice in Bonneville County, Idaho over Two Weeks to January 4 – Sheriff's Office Searching for Shooter

<http://www.kpvi.com/story.php?id=35035&n=15206>

Texas Panel Authorizes 36 States to Store Radioactive Waste at Waste Control Specialists-Owned Location in Andrews County, Texas

<http://www.sltrib.com/sltrib/home/50983582-76/waste-texas-disposal-radioactive.html.csp>

Update: Illinois State Senate Rejects Bill to Authorize Tenaska's Proposed 716 MW Clean-Coal Taylorville Energy Center in Illinois January 5

http://www.herald-review.com/news/local/article_c7d4716d-7bb4-53b8-821e-90b46e672448.html

<http://www.cleancoalillinois.com/tec.html>

Update: County Court Backs Preliminary Injunction, Directs Buckeye Pipe Line Co. and West Shore Pipe Line Co. to Perform Inspections, Assess Damage Related to Mid-December Oil Spill along Pipeline in Illinois

<http://heraldnews.suntimes.com/news/3174038-418/oil-pipeline-spill-companies-county.html>

Williams Replaces Broken Valve, Restarts Natural Gas Well in Flower Mound, Texas by January 4 - Company Shut Well on December 30

<http://www.crosstimbersgazette.com/local-news/1300-repairs-from-gas-well-leak-completed.html>

Update: INEOS Bio, New Planet Energy Receive Conditional Commitment for \$75 Million USDA Loan Guarantee Related to Companies' Proposal to Construct 8 MMGal/Yr. Biomass-Based Ethanol Plant near Vero Beach, Florida January 5 – Facility to Generate 6 MW of Electricity

http://www.ineosbio.com/76-Press_releases-14.htm

Update: MSHA, Massey Energy Reach Settlement Agreement over MSHA's Recently-Filed Motion for Preliminary Injunction against Company's Freedom Coal Mine No. 1 in Pike County, Kentucky January 5 – Order Requires Massey's Freedom Energy to Take Health- and Safety-Related Measures

<http://www.dol.gov/opa/media/press/msha/MSHA20110022.htm>

Fatal Explosion at nearby Chemical Plant Briefly Halts Traffic at Fos-Lavera Oil Port in France January 6

<http://online.wsj.com/article/BT-CO-20110106-703511.html>

<http://af.reuters.com/article/energyOilNews/idAFLDE70511Y20110106>

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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