



ENERGY ASSURANCE DAILY

Tuesday Evening, January 13, 2009

Electricity

Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Reduced to 60 Percent by January 13

Workers slowed the unit to conduct work on a feedwater heater, a company spokesman said. The Nuclear Regulatory Commission reported that on the morning of January 12 the unit was operating at full power. Reuters, 12:44 January 13, 2009

Bloomberg News, 10:14 January 13, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

Update: Luminant to Restart 593 MW Big Brown Coal-fired Unit 2 in Texas January 13-14

The company planned to restart the unit today, January 13, through early tomorrow morning, it said in a filing with state regulators. Operators shut the unit yesterday to repair a boiler tube leak, according to a separate filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=118708>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=118714>

NRC, Duke Energy to Discuss Apparent Procedural Failure Regarding Brief Cooling Failure at 887 MW Oconee Nuke Unit 1 in South Carolina

The U.S. Nuclear Regulatory Commission (NRC) and Duke Energy plan to discuss the significance of an inspection finding related to the apparent failure to implement an adequate maintenance procedure, the NRC said in a release. The issue led to a brief cooling interruption at Duke's Oconee nuke unit 1 in South Carolina, according to the NRC. The unit was down at the time of the incident, but the NRC determined the issue carried a "greater than green"—or more than very low—safety significance. The snag occurred on April 15, a news source said, as Duke sought to change out a circuit board on a voltage regulator. Workers failed to isolate a trip component, leading to a 1.8-second power trip. Duke Energy said it had since improved the procedure and re-evaluated its other first-time use processes.

<http://www.nrc.gov/reading-rm/doc-collections/news/2009/09-002.ii.html>

<http://www.greenvilleonline.com/article/20090110/NEWS01/901100326/1069/YOURUPSTATE01>

Bruce Power Shuts 820 MW Bruce Nuke Unit 6 in Ontario January 13

The company shut the unit for a "brief outage" to perform work on the turbine system, it said in a statement.

Bloomberg News, 10:47 January 13, 2009

TransAlta's 381 MW Keephills Coal-fired Unit 1 in Alberta Shut January 12

Reuters, 8:26 January 13, 2009

TransAlta's 279 MW Wabamun Coal-fired Power Plant in Alberta Shut January 13

Bloomberg News, 09:49 January 13, 2009

Update: OPG Restarts 490 MW Nanticoke Coal-fired Unit 3 in Ontario by January 13

The unit went offline by January 7.

Reuters, 07:55 January 13, 2009

Update: OPG Restarts 490 MW Nanticoke Coal-fired Unit 7 in Ontario by January 13

The unit went offline by January 12.

Reuters, 07:55 January 13, 2009

Update: TransAlta Restarts 406 MW Sundance Coal-fired Unit 4 in Alberta

The unit shut by January 4.
Reuters, 20:14 January 12, 2009

Update: Until Revamps Emergency Response Process after December Ice Storm in New Hampshire

A December 12 ice storm left some Until electric customers in New Hampshire without power for more than one week, and the utility said it has since improved its emergency response processes to better-cope with future events. Until enhanced its repair crews' availabilities, improved its communication infrastructure, and established an emergency information center to coordinate efforts. It successfully tested the new procedures during a recent, less-severe ice storm, it said.

http://www.newburyportnews.com/punews/local_story_012234720.html

Ontario Sees Record Hydroelectric Power Output, Lower Peak Electric Demand in 2008

Ontario generated 24.1 percent, or 38.3 terawatt hours, of its energy from hydroelectric power in 2008, but consumed 2.3 percent less energy than in 2007, according to data from the Independent Electricity System Operator.

<http://www.newswire.ca/en/releases/archive/January2009/12/c6755.html>

Petroleum

Explosion at Silver Eagle Refining's 10,250 b/d Woods Cross, Utah Refinery January 12-13

An explosion and fire injured four workers and forced Silver Eagle Refining to reduce rates at its 10,250 b/d Woods Cross, Utah Refinery January 12-13. A 42,000 gallon gasoline tank exploded, shooting flames 20 to 30 feet in the air yesterday afternoon. The subsequent fire lasted until early this morning. Both the company and fire officials said they were unsure what triggered the incident. The refinery was operating at reduced rates and preparing to resume normal service, according to the deputy fire chief. Area residents were evacuated from their homes, but allowed to return by this morning.

Bloomberg News, 09:02 January 13, 2009

Reuters, 11:21 January 13, 2009

<http://www.reuters.com/article/domesticNews/idUSTRE50C4OV20090113>

<http://www.ksl.com/?nid=148&sid=5303717&autostart=y>

http://www.kare11.com/news/national/national_article.aspx?storyid=535705&catid=18

Diesel Problems Stall Some ConocoPhillips' Trucks at 140,000 b/d Kuparuk Field in North Slope, Alaska

Problems with ultralow-sulfur diesel (ULSD) have stalled numerous ConocoPhillips' trucks at the 140,000 b/d Kuparuk field in the North Slope, Alaska, the company said. According to a spokeswoman, the trucks began experiencing problems early last week due to clogged fuel filters. The disruption has not impacted Kuparuk's output. ConocoPhillips purchased the ULSD-in-question from a Tesoro refinery in Kenai, Alaska. BP, which consumes the same diesel at its Prudhoe Bay field, said it had not seen any issues.

http://www.downstreamtoday.com/News/Articles/200901/Diesel_Woes_Stop_Trucks_In_Alaska_14601.aspx

BP Reports Snag during FCC Restart at 467,720 b/d Texas City, Texas Refinery January 12

BP's fluidic catalytic cracking unit 3 (FCC) "experienced mechanical trouble" during a restart, leading to overpressure and flaring, the company said in a filing with state regulators. The filing indicated that the incident lasted for about 14 hours. BP had previously expected to restart the unit in December, but later postponed the start-up to mid-January. Separately at Texas City, workers continued to conduct repairs to a leaking reformer. A source said that work could stretch "into the weekend or early next week."

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=118771>

Reuters, 21:44 January 12, 2009

Bloomberg News, 11:34 January 13, 2009

ExxonMobil Sees Likely Minor Production Impact at 149,500 b/d Torrance, California Refinery January 12

“An incident during routine maintenance” triggered flaring and was likely to result in a minor production disruption, a company spokeswoman said.

Bloomberg News, 17:36 January 12, 2009

Reuters, 08:40 January 13, 2009

Alon Slows Feed to 25,000 b/d FCC at 67,000 b/d Big Spring, Texas Refinery

Alon curtailed feed to its 25,000 b/d gasoline-making fluidic catalytic cracking unit (FCC) on Sunday, the company said in a filing with state regulators. Flaring occurred from an associated CO boiler due to “suspended tube leak repairs,” it said.

Bloomberg News, 08:04 January 13, 2009

Reuters, 18:15 January 12, 2009

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=118769>

Update: Sunoco Says FCC Shut on December 19 Still Slowed at 160,000 b/d Toledo, Ohio Refinery

Sunoco shut the gasoline-making fluidic catalytic cracking unit (FCC) on December 19 for unplanned work, and said that multiple other processes were running at slower-than-normal rates. In a January 5 filing, the company said the FCC was still operating at reduced runs.

Bloomberg News, 18:25 January 12, 2009

Total Restarts Unspecified Unit at 232,000 b/d Port Arthur, Texas Refinery January 11

Workers fixed and returned to service an unspecified unit after “a failure on the bottoms pump,” the company said in a filing with state regulators. Flaring began on January 11 at 7:15 PM, local time.

Bloomberg News, 14:23 January 12, 2009

Update: Flying J’s Big West to Restart Hydrocracker Unit Tomorrow at 66,000 b/d Bakersfield, California Refinery

Flying J’s subsidiary, Big West of California, LLC, plans to restart a hydrocracker unit tomorrow at its Bakersfield, California refinery, a plant manager said. Workers shut the refinery for planned work, but the timing of the shutdown—Flying J declared bankruptcy in December—led analysts to speculate that the facility was down for financial reasons.

Bloomberg News, 12:59 January 13, 2009

Heritage, Tullow Announce Possible Oil Find of More than 400 Million Barrels in Uganda

Heritage Oil and Tullow Oil found a potentially “world class” deposit of oil in the Giraffe-1 well and Buffalo discovery, the companies announced. The reserves could hold more than 400 million barrels of oil. A Heritage official said the fields could ultimately prove larger than 500-600 million barrels.

Reuters, 09:05 January 13, 2009

China Begins Production at 190,000 b/d Floating Facility in Bohai Bay

Two other platforms are scheduled to begin production in 2009.

http://www.rigzone.com/news/article.asp?a_id=71604

Natural Gas

Nothing to report.

Other News

Update: Denco Halts Production at 25 MMGal/yr Ethanol Plant in Minnesota

Citing weak profit margins, the company stopped production at its 25 million gallon/year ethanol plant in Morris, Minnesota. It plans to restart output when financial conditions improve, a company official said.

Bloomberg News, 12:21 January 13, 2009

Tyson Foods, Syntroleum Break Ground on 75 MMGal/yr Biofuels Plant in Louisiana

The facility will process animal fats and greases—supplied by Tyson Foods—and produce 75 million gallons/year of renewable diesel and jet fuel. The companies expect the project to be mechanically complete by the end of 2009, and reach full operations by mid-2010.

<http://www.arkansasbusiness.com/article.aspx?aID=111453.54928.123595>

GM to Begin Producing Batteries for Planned Electric Car

General Motors (GM) will begin producing batteries in Michigan, and plans to release its Chevrolet Volt by 2010, the company announced yesterday. GM sources said the company plans to break ground on a Michigan battery plant later in 2009, and open the facility in 2010.

http://news.xinhuanet.com/english/2009-01/13/content_10648741.htm

Virginia Governor Timothy Kaine Proposes Renewable Incentive and Energy Saving Plan

Governor Timothy M. Kaine proposed numerous bills to encourage biofuels production and renewable energy growth. Included in his plans are a 10-cents-per-gallon incentive for producers who derive biofuels from non-food sources, and a 7.5-cents-per-gallon incentive for those who generate biofuels through food crops. He also proposed tax credits for clean energy installations, and the expansion of a state grant program to encourage growth in wind, nuclear, and solar power.

http://www.timesdispatch.com/rtd/news/state_regional/state_regional_govtpolitics/article/GRENGAT12_20090112-122814/175721/

Energy Prices

U.S. Oil and Gas Prices			
January 13, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	38.11	49.07	92.98
NATURAL GAS Henry Hub \$/Million Btu	5.59	5.83	7.96

Source: Reuters

Energy Notes

Transmission Line Trip Cuts Power to about 15,000 Alaska Electric Light & Power Co. Customers in Alaska January 12

<http://www.foxnews.com/story/0,2933,479644,00.html>

Alabama Power Company Consider 70-80 MW Biomass-fired Power Project in Alabama

<http://www.al.com/news/press-register/metro.ssf?/base/news/123184173328340.xml&coll=3>

Update: PSE&G Files with New Jersey Board of Public Utilities for 500 kV Susquehanna-Roseland Power Line in New Jersey

http://www.pseg.com/media_center/pressreleases/articles/2009/2009-01-12.jsp

Solar Power Partners Installs 19 Solar Energy Facilities across U.S. with Combined Capacity of 7.7 MW

BSW, 13:43 January 12, 2009

Update: Georgia Power to Develop Safety Upgrade Plan after two 2008 Underground Explosions in Savannah, Georgia

<http://www.msnbc.msn.com/id/28583256/>

Clean Coal Portfolio Standard Act Signed Into Law in Illinois, Establishes a Framework for Developing Coal Gasification Projects with CO2 Capture and Storage

<http://www.tenaska.com/newsItem.aspx?id=53>

Honeywell Receives DOE Contract to Install Renewable-Energy and Water-Conservation Projects at Federally-Owned Buildings over Coming Decade

DJN, 12:13 January 13, 2009

BG Group Plans to Begin Production at Tupi, Iara and Guara Oilfields in Brazil—Company Eyes 300,000 b/d Output by 2012

Bloomberg News, 11:50 January 13, 2009

Russian Oil and Condensate Production Drops Almost 1 Percent in 2008, Marking First Year-on-Year Drop in 10 Years—Energy Ministry Data

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

Update: Saudi Arabia Confirms Reports that it will Produce Oil below OPEC Quota

Bloomberg News, 11:53 January 13, 2009

Quota-Bound Nations Near 100 Percent Compliance with Two OPEC Cuts—OPEC Secretary General

Reuters, 12:00 January 13, 2009

Equitable Gas to replace 1,800-foot Segment of Natural Gas Pipeline in Pennsylvania January 14-to-End of May

http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=ind_focus.story&STORY=/www/story/01-12-2009/0004953435&EDATE=

Update: EIA Projects U.S. LNG Imports to Total 420 Bcf in 2009, Could Exceed 500 Bcf in 2010—Total Marks Increase from Estimated 350 Bcf in 2008

Reuters, 11:34 January 13, 2009

Update: Kitimat LNG Receives Federal, Provincial Environmental Okays for Proposed LNG Terminal in British Columbia, Canada

MKW, 10:00 January 13, 2009

Update: Mexico Reopens Weather-Downed Dos Bocas Oil Terminal—Coatzacoalcos Port Still Out of Service January 13

Reuters, 11:16 January 13, 2009

Update: Russia's Gazprom Announces Resumption of Partial Natural Gas Deliveries through Ukraine—Ukraine Says it Blocks Incoming Gas at Border, Citing Failure to Reach Delivery Agreement

<http://www.cnn.com/2009/WORLD/europe/01/13/europe.russia.gas.ukraine/index.html>

<http://www.gazprom.com/eng/news/2009/01/33601.shtml>

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