



ENERGY ASSURANCE DAILY

Monday Evening, February 07, 2011

Electricity

Update: El Paso Electric Ends Rolling Blackouts in El Paso, Texas by February 5

El Paso Electric conducted rolling blackouts on February 2-4 after extreme weather forced offline most of its local power generators, multiple sources reported previously. To make up for the shortfall, the company had been purchasing electricity from out-of-state. El Paso had begun restarting at least two of its power plants by February 5, and the company had ended the rolling blackouts by February 5, it confirmed. The rolling blackouts were, during peak demand hours, curtailing electricity consumption by about 100 MW. Between 190,000 and 200,000 of El Paso's 370,000 customers lost power for some part of Wednesday, February 2.

<http://www.kvia.com/news/26743508/detail.html>

http://www.elpasotimes.com/news/ci_17288641?source=most_viewed

<http://www.kfoxtv.com/news/26749574/detail.html>

Equipment Failure Cuts Electricity to 20,000 PSE&G Customers, Impacts Flights at Newark Airport in New Jersey February 7

The power outage impacted some flights at the Newark Liberty International Airport in New Jersey, according to a spokesman for the Port Authority of New York and New Jersey. "Parts of the terminal are without power," he said. PSE&G did not say when it expected to restore service.

http://www.nj.com/news/index.ssf/2011/02/power_outages_ground_flights_a.html

FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Ramped Up to 96 Percent by February 7

The unit ramped down from full power on the morning of February 5 to 35 percent by the morning of February 6, the Nuclear Regulatory Commission (NRC) reported. It ramped up to 96 percent power by February 7, according to the NRC.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

TVA's 1,118 MW Browns Ferry Nuclear Unit 2 in Alabama Reduced, Ramped up over Weekend

The unit ramped down from full power on the morning of February 4 to 89 percent by February 5, the Nuclear Regulatory Commission (NRC) reported. It returned to full power by February 6, according to the NRC.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Reduced, Ramped up over Weekend

The unit ramped down from 94 percent power on the morning of February 4 to 80 percent by the morning of February 5, the Nuclear Regulatory Commission (NRC) reported. It returned to 94 percent power by February 6, according to the NRC.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

OPPD's 478 MW Fort Calhoun Nuclear Unit in Nebraska Shut, Restarted over Weekend Ramped Up to 98 Percent by February 7

The unit shut from full power by February 5, but returned to 98 percent power by February 7, the Nuclear Regulatory Commission (NRC) reported.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Update: Cabrillo Power's 106 MW Encina Gas-Fired Unit 1 in California Returns to Service by February 6

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

<http://www.caiso.com/unitstatus/data/unitstatus201102061515.html>

San Miguel Electric Coop's 410 MW San Miguel Coal-Fired Power Plant in Texas Shuts February 4

The unit shut due to a tube leak, the company said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=150318>

Luminant Shuts Unit 1 at 921 MW Lake Hubbard Gas-Fired Power Plant in Texas February 4

Luminant shut Unit 1 at the two-unit, combined 921 MW Lake Hubbard gas-fired power plant in Texas, it said in a filing with state regulators. It was not clear when the company expected to return the unit to service.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=150284>

http://www.luminant.com/plants/pdf/LakeHubbard_Facts.pdf

Recurrent Energy Plans 200 MW of Solar Power Capacity in Ontario, Canada

Recurrent Energy Plans to construct 19 solar power projects in Ontario, Canada – representing 200 MW, combined, of electric generation capacity – and Celestica Inc. expects to produce crystalline silicon photovoltaic modules for the projects at its factory in Toronto, the companies said last week. Celestica is slated to begin full production by the summer of 2011.

<http://www.reuters.com/article/2011/01/31/energy-celestica-idUSN3122262120110131>

Petroleum

Pipeline Explosion Causes Unspecified Quantity of Crude Oil to Leak into Sea Offshore Iran by February 6 – Oil Slick Stretches about 15 Miles

The explosion occurred last week along a corroded pipeline, news agencies said on February 7. The subsequent leak was repaired, but stormy weather caused the crude to drift out to sea and at least one local official referred to the incident as "an environmental disaster." Another official said it would take at least two months to complete the clean-up.

<http://af.reuters.com/article/energyOilNews/idAFKAL75747620110207?sp=true>

Update: ExxonMobil Resumes Planned Rates at 348,500 b/d Beaumont, Texas Refinery by February 7

An equipment malfunction impacted production on February 3.

Reuters, 11:35 February 7, 2011

Valero Reports RTO Shutdown, Restart at 310,000 b/d Port Arthur, Texas Refinery February 5-6

A regenerative thermal oxidizer (RTO) associated with a wastewater treating unit tripped for unspecified reasons at the refinery, but the company restarted the RTO within less than 24 hours, according to a filing with state regulators. It was not clear if the incident had any impact on production.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=150321>

Flint Hills Reports Weather-Induced Shutdowns at 305,000 b/d Corpus Christi, Texas Refinery February 4-5

An apparent “level transmitter malfunction” led to a boiler shutdown that caused Flint Hills Resources to partly lose steam production at the refinery on February 4-5, the company said in a filing with state regulators. Some fifteen minutes after the initial snag, “an instrument malfunction associated with the blower discharge” forced offline a fluid catalytic cracking unit (FCC), according to the filing. The company suspected that “inclement weather” had factored into the problems. Operators restarted the affected boiler within hours; it was not clear if the FCC remained offline, as of latest reports.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=150290>

<http://www.bloomberg.com/news/2011-02-06/flint-hills-corpus-christi-refinery-shuts-cat-cracker-update1-.html>

Nitrogen Outage Nearly Forces Shut Motiva’s 285,000 b/d Port Arthur, Texas Refinery February 6

A disruption in nitrogen supply nearly forced shut the refinery on February 6 – operators “cut back very sharply” – but the company returned the facility to full rates on February 7, sources familiar with the site’s operations said. Operators had been forced

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=150314>

<http://www.reuters.com/article/2011/02/06/refinery-operations-motiva-portarthur-idUSWEN712920110206>

Reuters, 13:16 February 7, 2011

Tank Collapse Leads to Shutdown of Valero’s 235,000 b/d Aruba Refinery February 4

The facility shut after a 20,300-barrel freshwater storage tank collapsed, toppled a concrete barrier, and broke numerous product-carrying pipes, a Valero spokesman said. The incident did not cause a fire or explosion and no one was injured. The facility remained offline as workers performed repairs. The spokesman did not anticipate a lengthy shutdown.

DJN, 12:57 February 7, 2011

Update: Valero Resumes Planned Rates at 171,000 b/d McKee, Texas Refinery by February 7

Valero was running the facility “at reduced rates due to issues with crude supply via pipeline,” a company spokesman said on February 3.

Reuters, 10:29 February 7, 2011

Reuters, 09:14 February 3, 2011

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=150176>

Citgo Shuts Unit after Valve Failure at 163,000 b/d Corpus Christi, Texas Refinery February 4

Citgo shut a unit after a control valve malfunction in the “Coker Wet Gas compressor system” at the west plant of its 163,000 b/d Corpus Christi, Texas refinery, the company said in a filing with state regulators. The incident triggered flaring, according to the filing. It was not clear if there was any impact on production.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=150276>

Update: Inclement Weather Postpones Holly Corporation’s Bid to Resume Normal Service at 100,000 b/d Artesia, New Mexico Refinery

Inclement weather was postponing Holly Corporation’s efforts to return its 100,000 b/d Navajo refinery in Artesia, New Mexico refinery to planned operating levels, the company said on February 4, about nine days after an interruption in power supply from the company’s local utility led to a plant-wide power failure. Holly was operating the facility at reduced rates – about 40,000 b/d, or 60,000 b/d less than full capacity – as plant personnel worked to restart certain downstream processing units. Citing poor weather conditions, the company said it could take at least another week (from February 4) to return the facility to planned operating levels. The company said on February 7 that it planned to resume normal rates in about one more week.

http://www.hollycorp.com/press_release.cfm?id=350

Reuters, 09:44 February 7, 2011

After Weather-Induced Shutdown, Lion Resumes Normal Operations at 75,000 b/d El Dorado, Arkansas Refinery February 3-4

Cold weather led to the shutdown of a furnace related to a sulfur recovery unit (SRU) on February 3, but the company resumed normal operations by February 4, a spokesman said. It was not clear if the incident had any impact on production.

<http://online.wsj.com/article/BT-CO-20110204-709885.html>

After Weather-Related Snag, Delek Resumes Normal Operations at 60,000 b/d Tyler, Texas Refinery February 5-6

Cold weather led to a mechanical equipment snag on February 5, but the company returned the facility to normal operations by February 6.

Reuters, 23:29 February 6, 2011

Update: Enbridge to Shut 290,000 b/d, 30-Inch, Indiana-to-Ontario Lakehead System Line 6B February 7

Enbridge plans to shut the crude oil pipeline twice – for five days from February 7 and another five days in March – as it replaces 14 segments of pipe, according to a company spokeswoman. Operators shut the same line in late July after it ruptured and spilled more than 20,000 barrels of crude oil into a creek near the company's Marshall, Michigan pump station. The line remained shut for some nine weeks.

<http://www.calgaryherald.com/technology/Enbridge+plans+pipeline+outage/4228948/story.html>

<http://af.reuters.com/article/energyOilNews/idAFN0422751920110104>

<http://www.calgaryherald.com/technology/Enbridge+plans+Line+outages/4058488/story.html>

Natural Gas

Update: Companies Restoring Natural Gas to Customers in Arizona and New Mexico February 6-7 – More Than 45,000 Customers Lost Service during Last Week's Cold Weather

Some 24,000 New Mexico Gas customers in New Mexico and 1,200 Southwest Gas customers in Arizona remained without natural gas service on February 6, multiple news and company sources reported, after 32,000 New Mexico Gas customers and 13,400 Southwest Gas customers lost gas during last week's cold spell. New Mexico Gas said its system had stabilized, but implied that it could take some time to fully restore service: the company said that the restoration process would require it to visit each affected customer, individually, at least twice. San Diego Gas & Electric (SDG&E), meanwhile, citing improved conditions, lifted the natural gas curtailments that had affected as many as 88 of its commercial/industrial customers in San Diego County, California, it said on February 4. Multiple previous sources blamed last week's problems in the U.S. Southwest on extreme weather: demand spiked just as cold weather forced offline a significant chunk of natural gas production (see last week's Energy Assurance Daily's) and led to power disruptions in Texas. El Paso Natural Gas, which delivers natural gas into New Mexico, Arizona, and California, declared an emergency critical operating condition on February 2, citing shortfalls in the supply of natural gas. El Paso said power disruptions had affected "production areas connected to [its] system," and that "operators and production plants are still having issues bringing facilities on line." By the end of the weekend, however, as weather conditions improved and companies resumed production, El Paso had "more gas on the pipeline system than actual demand," a spokesman said. The backlog of supplies prompted the company to declare "a system wide (strained operating condition) effective Gas Day February 6," according to its website.

http://www.nmgco.com/emergency_updates.aspx

<http://www.swgas.com/news/alerts.php>

http://public.sempra.com/newsreleases/viewpr.cfm?PR_ID=2575&Co_Short_Nm=SDGE

<http://passportebb.elpaso.com/ebbmasterpage/Notices/NoticesAutoTable.aspx?code=EPNG&status=Notice&name=Critical%20Notices&sParam1=1&sParam3=10400&sParam14=D&details=Y>

http://azstarnet.com/news/local/article_f2c1d0a7-a1be-51d5-80fe-747a6f873273.html

Reuters, 11:38 February 7, 2011

After Weather-Related Shutdown, Kinder Morgan Resumes Full Operations at Natural Gas Compressor Station in Texas

Cold weather affected approximately 50,000 MMBtu/d of service at a compressor station along Kinder Morgan's Tejas natural gas pipeline in southern Texas on February 4, but the company resumed full operations by February 5, a spokesman said.

Reuters, 09:57 February 7, 2011

Reuters, 10:40 February 4, 2011

Update: Cold Weather Leads to Problems at Multiple Natural Gas Facilities in Texas February 4-6

Cold weather led to shutdowns and/or disruptions at multiple natural gas facilities in Texas on February 4-6, according to numerous filings with state regulators. The affected facilities included: the Tilden Gas Plant, Crane Booster Station, Waha Gas Plant, Fullerton Gas Plant, and Aker Gas Plant.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150264>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150280>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150289>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150295>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150285>

Sabotage Suspected as Explosion Forces Shut Natural Gas Pipeline in Egypt February 5 – Egyptian Gas Makes Up 40 Percent of Israel's Gas Imports

An explosion forced shut a pipeline system that delivers natural gas along multiple conduits from Egypt to Israel, Jordan, Syria, and Lebanon on February 5, and sources conflicted as to the source of the blast, multiple news and official sources reported. Egypt's national gas company said that a gas leak had caused the explosion; a local security source, meanwhile, said "foreign elements" had gone after the portion of the pipeline that delivers natural gas to Jordan. Ampal-American Israel Corp said the explosion had not damaged the pipeline to Israel. It said that deliveries should restart along the Egypt-to-Israel segment within one week. An official with Israel's Merhav Group, however, citing damage, said it would take far longer to resume deliveries to Jordan, Syria, and Lebanon. Israel Electric Corp, in response to the explosion, said it would process diesel fuel at some of its gas turbines and consume more diesel, fuel oil, and coal at its power facilities. The company did not expect a supply disruption.

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/NaturalGas/8507365>

<http://www.examiner.com/foreign-policy-in-national/egypt-gas-supply-pipeline-explosion-could-be-sabotage>

Reuters, 07:09 February 6, 2011

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices February 7, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	86.46	90.99	72.84
NATURAL GAS Henry Hub \$/Million Btu	4.48	4.42	5.47

Source: Reuters

Update: Industry's Inability to Prove it Could Handle Underwater Blowout Largely to Blame for Government's Failure to Authorize any New Deepwater Projects in U.S. Gulf of Mexico: BOEMRE Director

<http://www.thenewstribune.com/2011/02/04/v-printerfriendly/1531019/blowout-containment-part-of-drilling.html>

Fuel Tanker Blast Leaves One Dead near Picabo, Idaho February 3

<http://www.kmvt.com/news/local/Fuel-Tanker-Explosion-Kills-One-Southwest-of-Picabo-115268434.html>

Update: Ivanhoe Energy's Tamarack Project in Alberta, Canada Contains Estimated 220 Million Barrels of Probable plus Possible Bitumen Reserves – Project Expected to Produce at about 40,000 b/d for at Least 30 Years

<http://www.prnewswire.com/news-releases/new-independent-report-assigns-220-million-barrels-of-3p-reserves-to-ivanhoe-energys-tamarack-project-115474454.html>

Pump Failure Leads to Hydrogen Sulfide Release at Chevron's 330,000 b/d Pascagoula, Mississippi Refinery February 3

Reuters, 00:06 February 5, 2011

Update: Pinhole Leak to Blame for Mid-January Disruption along 186-Mile Millennium Natural Gas Pipeline in New York – NYSEG Customers Were Urged to Reduce Natural Gas Consumption during Two Days of Repairs

<http://www.pressconnects.com/article/20110203/NEWS01/102030413/Natural+gas+pipeline+had+pinhole+leak++officials+say>

Engines Shut, Restart at Goldsmith Gas Plant in Texas February 5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150313>

Power Outage Leads to Brief Shutdown at Tilden Gas Plant in Texas February 5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150298>

Compressors Shut, Restart at DUCRP Compression Station 2 in Texas February 4

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150291>

Enterprise Products De-Inventories Natural Gas, Reduces Pressure along 12-Inch Encinal Gathering System in Texas for "Emergency Repairs" February 5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=150299>

TransCanada Corporation Receives NEB Okay for Proposed 630 MMcf/d Horn River Natural Gas Pipeline Project in Alberta and British Columbia, Canada by February 4

<http://www.transcanada.com/5639.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>

Please direct comments and questions to: ead@oe.netl.doe.gov