

ENERGY ASSURANCE DAILY

Thursday Evening, February 12, 2009

Major Developments

Wind Storm Knocks Out Power to Over 1 Million Customers in the Eastern U.S. February 11

High winds knocked down transmission lines and left 1,372,426 customers without power in states from Ohio, Kentucky and Tennessee through to the Middle Atlantic. Approximately 463,290 customers remain without power. Utilities in Kentucky were still restoring power to over 60,000 due to ice storms that hit the area two weeks ago when the new storm stuck. The following table lists peak outages and restoration figures, based on latest available numbers.

Eastern U.S. Customer Power Outages February 11-12, 2009					
Electric Utility	State	Peak	Latest Reported		
AEP	OH	167,500	86,946		
Ohio Edison	OH	152,000	41,000		
Duke Energy	OH	76,305	2,065		
Cleveland Electric Illuminating	OH	68,000	50,000		
Dayton Power and Light	OH	60,000	4,000		
South Central Power	OH	22,370	3,558		
Toledo Edison	OH	19,600	2,800		
Kentucky Utilities	KY	44,000	7,000		
Kenergy	KY	10,960	9,821		
Kentucky Coops	KY	22,000	22,000		
AEP	KY	38,800	24,800		
Louisville Gas & Electric	KY	37,000	9,000		
Duke Energy	KY	8,828	33		
Appalachian Power	WV	85,000	35,992		
NYSEG & RG&E	NY	45,000	25,000		
National Grid	NY	31,280	19;012		
LIPA	NY	8,344	3,207		
Knoxville Utilities Board	TN	49,234	4,681		
Volunteer Energy Cooperative	TN	12,000	2,600		
Nashville Electric	TN	8,818	45		
Greenville Light and Power System	TN	4,000	1,000		
Duke Energy	IN	43,965	1,433		
AEP	IN	21,000	2,236		
Indianapolis Power and Light	IN	6,000	445		
Penelec	PA	97,000	49,000		
Duquesne	PA	44,000	15,000		
Pennsylvania Power	PA	27,500	9,000		
PPL	PA	23,451	15,525		
Metropolitan Edison	PA	9,700	7,300		
Delmarva Power	MD	1,800	1,174		
Baltimore Gas & Electric	MD	45,170	6,176		
Рерсо	MD	3,850	1,480		
Dominion	VA	16,059	3,461		
Appalachian Power	VA	12,000	0		

Jersey Central Power and Light	NJ	17,000	6,000
Atlantic City Electric	NJ	5,016	1,022
Public Service Electric and Gas	NJ	4,800	4,800
Ameren	IL	14,590	338
Connecticut Light and Power	CT	8,486	3,352
TOTAL*		1,372,426	463,290

*Total outages only represent electric utilities listed in this table.

Sources:

AEP Ohio:

http://www.aepohio.com/news/outages/viewstorm.asp?stormName=February%2011%20Ohio%20Wind%20Storm Duke Energy Ohio: http://www.duke-energy.com/ohio/outages/current.asp

Dayton Power and Light: <u>http://www.waytogo.com/</u>

First Energy: <u>http://www.wtte28.com/template/inews_wire/wires.regional.oh/288ed4bd-www.wtte28.com.shtml</u> South Central Power: <u>http://www.southcentralpower.com/OW/ow_map.aspx?county=0</u>

Kentucky Coops: http://psc.ky.gov/ors/PublicInfo_OutageIncidents.aspx

Kenergy: <u>http://www.kenergycorp.com/news/newsdetail.aspx?itemID=53</u>

Kentucky Utilities: http://www.eon-us.com/storm/default.asp

AEP:

http://www.kentuckypower.com/news/outages/viewstorm.asp?stormName=Feb.%2011%20Wind/Thunder%20Stor m

Louisville Gas &Electric (LG&E): <u>http://www.eon-us.com/storm/default.asp</u>

Duke Energy Kentucky: <u>http://www.duke-energy.com/kentucky/outages/current.asp</u> Appalachian Power:

http://www.appalachianpower.com/news/outages/viewstorm.asp?stormName=Feb.%2011%20Wind%20Storm

NYSEG: http://www.nyseg.com/OurCompany/News/2009/021209storm11am.html

National Grid: https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx

Long Island Power Authority (LIPA): http://www.lipower.org/stormcenter/outages/township.html

Knoxville Utilities Board: http://www.kgis.org/website/kub_outage/mainpage.htm

Volunteer Energy Cooperative: <u>http://www.vec.org/article.aspx?categID=6&articleID=836</u>

Nashville Electric: http://www.nespower.com/OutageMap/

Greenville Light and Power System: http://www.greenevillesun.com/story/301358

Duke Energy Indiana: <u>http://www.duke-energy.com/indiana/outages/current.asp</u>

AEP Indiana:

http://www.indianamichiganpower.com/news/outages/viewstorm.asp?stormName=February%20Wind%20Storm Indianapolis Power and Light:

http://www.iplpower.com/ipl/index?page=IPLGeneral&Menu=04080000&DocID=0203917431b9011a564c249300 71c8

Duquesne:

http://www.duquesnelight.com/codeincludes/ImportantOutageInfo.cfm?CFID=15113335&CFTOKEN=92540671 PPL: http://www.pplelectric.com/Outage+Center

Delmarva Power: http://www.delmarva.com/home/emergency/maps/outage/

Baltimore Gas & Electric: <u>http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0</u> Pepco: <u>http://www.pepco.com/home/emergency/maps/stormcenter/</u>

Dominion: http://www.dom.com/news/outage_sos.jsp

Jersey Central Power & Light:

http://www.philly.com/philly/wires/ap/news/state/new_jersey/20090212_ap_windwhippedtreeskill2innj.html Atlantic City Electric: http://www.atlanticcityelectric.com/home/emergency/maps/outage/

Public Service Electric & Gas:

http://www.philly.com/philly/wires/ap/news/state/new_jersey/20090212_ap_windwhippedtreeskill2innj.html Ameren Illinois: https://www2.ameren.com/outagemap/default.aspx?state=IL

Connecticut Light and Power (CL&P): <u>http://www.cl-p.com/outage/default.aspx</u>

http://www.columbusdispatch.com/live/content/local_news/stories/2009/02/12/amorewather.html?sid=101

Update: State Regulators Approve South Carolina Electric Gas & Company's Proposed Nuke Units at Santee Cooper Power Plant

The company plans two 600 MW nuclear reactors at the existing power facility to meet increasing electricity demand and projected power shortages within five years. The project still awaits approval from federal regulators. http://www.charleston.net/news/2009/feb/11/state_oks_nukes_rates_rise71339/ http://finance.yahoo.com/news/SC-governor-Proposed-power-apf-14329760.html

Consumers Energy Delays Start of Proposed 800 MW Bay County Coal-fired Power Plant in Michigan

Ground-breaking on the project is now estimated to begin in 2013, instead of 2012. Consumers Energy now expects the Bay County project to begin operation in 2017. The delays are due to a recent directive by Governor Granholm to re-evaluate five pending air permits for the project.

http://www.mlive.com/news/bay-city/index.ssf/2009/02/new bay county power plant del.html

Tests Conducted by APS Determine Shutdown of Three Nuclear Reactors at its 3,875 MW Palo Verde Plant in Arizona Unnecessary

On February 11, APS filed a report with NRC that its atmospheric dump valves were inoperable and the backup nitrogen capacity was inadequate, prompting a proposed shutdown of the units. A spokesman said that engineers reran calculations on February 12 and determined that the safety margins built into the system were accurate and the plant will remain fully operational.

Reuters, 08:14 February 12, 2009

Update: Groups Oppose Entergy's Plans to Convert 1,250 MW Little Gypsy Coal-fired Plant to Run on Petroleum Coke

The Alliance for Affordable Energy and the Sierra Club claim that Entergy failed to adequately account for the potential cost of carbon emission control legislation, which will increase overall costs of the fuel switch. http://blog.nola.com/tpmoney/2009/02/report_says_little_gypsy_will.html

Entergy's 653 MW Pilgrim Nuke Unit 1 in Massachusetts Reduced to 56 Percent by February 12

The Nuclear Regulatory Commission reported that on the morning of February 11 the unit was operating at full power. A problem at a switchyard in Whitman, Massachusetts forced Entergy to reduce output at the power plant. Bloomberg News, 12:25 February 12, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

OPG's 494 MW Lambton Coal-fired Unit 2 in Ontario Shut by February 12

Reuters, 11:50 February 12, 2009

Update: Delta Energy Center's 861 MW Delta Energy Center Gas-fired Unit in California Returns to Service February 11

According to the California Independent System Operator, the unit experienced an unplanned outage. <u>http://www.caiso.com/unitstatus/data/unitstatus200902111515.html</u>

Update: TXU's 750 MW Martin Lake Coal-fired Unit 1 in Texas Returns to Service February 11

The unit was shut to repair a boiler tube leak. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=119882

Update: OPG's 500 MW Pickering Nuke Unit 1 in Ontario Restarts February 12

The unit is now production 65 MW. The unit was shut on January 30 for repairs. Bloomberg News, 07:46 February 12, 2009

Shell Declares Force Majeure at its Bonny Oil Terminal in Nigeria for February and March

On February 10, Shell declared force majeure as a "precautionary measure" amid growing security concerns. Shell is prepared to evacuate staff in the Niger Delta following threats from the Movement for the Emancipation of the Niger Delta (MEND) in increase attacks on oil facilities in the region. http://www.platts.com/Oil/News/8353493.xml?p=Oil/News&sub=Oil

Crude Vacuum Unit Shut at Citgo's 156,000 b/d Corpus Christi, Texas Refinery February 11

The unit is being shut to repair a pinhole leak on a line. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=120029

Power Failure at Valero's 289,000 b/d Port Arthur, Texas Refinery February 12

The refinery experienced a plant-wide power outage, which led to flaring. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=120089

Natural Gas

Midcontinent Express Files with FERC for 300,000 MMcf/d Expansion of its Mammoth Pipeline Project

The proposed pipeline will transport natural gas from shale productions in Texas, Arkansas and Oklahoma. NGI's Daily Gas Price Index February 12, 2009 http://intelligencepress.com/

Excessive Pressure Led to Shutdown of 290 MMcf/d Waha Gas Plant in Texas February 12 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=120064

Emergency Shutdown of 265 MMcf/d La Gloria Gas Plant in Texas February 12

The plant was shut after mechanical inspections discovered extreme thinning of piping. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=120073

Other News

Secretary of Energy Chu Says Solving Dependence on Fossil Fuels and Climate Change Problems Requires A "Revolution" In Science and Technology

Dr. Chu discussed the need for breakthroughs in electric batteries, solar power, and development of new crops that can be turned into fuel.

http://www.nytimes.com/2009/02/12/us/politics/12chu.html?_r=2&scp=1&sq=%2b%22Energy+Department%22+-%22Atomic+Energy+Department%22+-%22Minerals+and+Energy+Department%22&st=nyt

Energy Prices

U.S. Oil and Gas Prices February 12, 2009					
	Today	Week Ago	Year Ago		
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	35.22	40.24	93.12		
NATURAL GAS Henry Hub \$/Million Btu	4.68	5.01	8.38		

Source: Reuters

Energy Notes

Study by Environmental Defense Fund Finds Barnett Shale Oil and Gas Production in Texas Emits as Air Pollution as Vehicles - but Says Problem Can be Addressed with "offthe-Shelf Technology

http://www.dallasnews.com/sharedcontent/dws/dn/latestnews/stories/021109dnmetsmog.3ac6797.html

Flaring Units Malfunction at ConocoPhillips's 247,000 b/d Sweeny, Texas Refinery February 12

Bloomberg News, 01:59 February 12, 2009

Update: Workers May Strike at Sunoco's 190,000 b/d Marcus Hook, Delaware Refinery when Union's Contract Expires on March 1 Bloomberg News, 11:09 February 12, 2009

Train Derailment Involving Nine Tank Cars in Ontario, Canada, One Tank Car Contains 80.000 Liters of Gasoline, February 11 http://www.thespec.com/News/Local/article/512212

No Units Affected at Pemex's Lazaro Cardenas Refinery in Mexico after Cooling Tower Explosion Bloomberg News, 07:47 February 12, 2009

OPEC to Decrease Crude Shipments by 3.5 Percent in February and Load 22.75 MMb/d in Four Weeks to February 28 – Oil Movements Bloomberg News, 11:30 February 12, 2009

Global Oil Demand to Decrease 1.2 Percent in 2009, Biggest Annual Drop in 27 Years – IEA

http://online.wsj.com/article/SB123434725702072367.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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