



# ENERGY ASSURANCE DAILY

Tuesday Evening, February 17, 2009

## Electricity

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### **Storms Cut Power to More Than 150,000 Customers in California over Weekend**

Storms knocked out electricity to approximately 78,600 Southern California Edison (SCE) customers and 61,000 PG&E customers over the weekend, sources said. Some SCE customers were out of service for just minutes, while others were without power for hours, he said. By evening on February 16, just 11,900 SCE customers remained in the dark. PG&E restored power to nearly all affected customers by Sunday evening. Silicon Valley Power also reported an that unspecified number of customers lost power during the storm.

<http://www.ocregister.com/articles/customers-power-alexander-2310388-edison-sce>

[http://www.mercurynews.com/topstories/ci\\_11712595](http://www.mercurynews.com/topstories/ci_11712595)

[http://www.mercurynews.com/topstories/ci\\_11719386](http://www.mercurynews.com/topstories/ci_11719386)

### **Update: Utilities Restore Power to Nearly all Eastern U.S. Customers after Last Week's Wind Storms**

Utilities reported only scattered outages this afternoon, February 17, after winds cut power last week to 1,490,726 customers across 12 states. About 19,600 FirstEnergy customers—accounting for several of the affected utilities—were without power on February 13. The company expected to restore service to all those customers by midnight on Saturday. Just over 2,000 customers remained in the dark in Kentucky, and just fewer than 2,000 were still without service in West Virginia.

For a more detailed account of the affected utilities, please see last Friday's Energy Assurance Daily.

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

[http://www.firstenergycorp.com/NewsReleases/2009-02-](http://www.firstenergycorp.com/NewsReleases/2009-02-13_Service_Restored_To_96_Percent_Of_FirstEnergy_Uti.pdf)

[13\\_Service\\_Restored\\_To\\_96\\_Percent\\_Of\\_FirstEnergy\\_Uti.pdf](http://psc.ky.gov/ors/PublicInfo_OutageIncidents.aspx)

[http://psc.ky.gov/ors/PublicInfo\\_OutageIncidents.aspx](http://psc.ky.gov/ors/PublicInfo_OutageIncidents.aspx)

<http://www.kentuckypower.com/news/outages/default.asp>

<http://www.appalachianpower.com/news/outages/>

### **TVA's 1,118 MW Browns Ferry Nuke Unit 2 in Alabama Shut February 16**

The Tennessee Valley Authority (TVA) took the unit offline on February 16 after a "turbine trip timer initiated" resulting from "a failure of the stator cooling water system," according to a filing with the Nuclear Regulatory Commission (NRC). The company is investigating the cause, it said. The NRC reported that on the morning of February 16 the unit was operating at full power.

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

Bloomberg News, 07:39 February 17, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

### **DTE's 1,089 MW Fermi Nuke Unit 2 in Michigan Reduced to 90 Percent by February 15**

The Nuclear Regulatory Commission reported that on the morning of February 14 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/2009/>

### **Calpine's 593 MW Metcalf Energy Center Gas-fired Unit in California Reduced by February 15**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 308 MW by February 15.

<http://www.caiso.com/unitstatus/data/unitstatus200902151515.html>

### **Update: Entergy Restarts Final Two Hurricane Ike-Damaged Units at 1,960 MW Sabine Gas-fired Power Plant in Texas**

Entergy returned two of Sabine's five gas-fired units to service by this weekend, restoring the facility to full capacity after a September shutdown, a spokeswoman said today. The company shut the Sabine plant ahead of Hurricane Ike in September, and subsequent flooding forced the extended shutdown. Workers restarted three units in early December.

Reuters, 10:51 February 17, 2009

### **Exelon's 1,116 MW Peach Bottom Nuke Unit 2 in Pennsylvania at Full Power by February 16**

The Nuclear Regulatory Commission reported that on the morning of February 15 the unit was operating at 80 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **PPL's 1,111 MW Susquehanna Nuke Unit 2 in Pennsylvania at Full Power by February 17**

The Nuclear Regulatory Commission reported that on the morning of February 16 the unit was operating at 90 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **Update: Energy Northwest's 1,107 MW Columbia Generating Station Nuke Unit in Washington at Full Power by February 17**

According to a spokeswoman, the unit had shut automatically by February 8 due to steam flow irregularities.

Workers replaced a valve and refilled hydraulic lines, and returned the unit to full power by this morning, February 17. The Nuclear Regulatory Commission reported that on the morning of February 16 the unit was operating at 90 percent.

Reuters, 07:25 February 17, 2009

Bloomberg News, 07:17 February 17, 2009

Information derived from the NRC Power Reactor Status Reports:

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

### **Update: Entergy's 653 MW Pilgrim Nuke Unit 1 in Massachusetts Returns to Full Power by February 17**

Entergy reduced the unit on February 11 due to an offsite transmission problem. The Nuclear Regulatory Commission reported that on the morning of February 12 the unit was operating at 56 percent.

Reuters, 07:35 February 17, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

### **Luminant Plans Restart of 591 MW Sandow Coal-fired Unit 4 in Texas February 15**

According to a filing with state regulators, the company said it planned to restart the unit after a "trip due to a static ground wire falling in the switchyard." In a separate filing, the company indicated that the incident began during the evening of February 14.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120166>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120167>

### **Calpine's 525 MW Sutter Gas-fired Unit in California Ramps up by February 15**

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 264 MW by February 15.

<http://www.caiso.com/unitstatus/data/unitstatus200902151515.html>

### **POWEREX's 428 MW Dynamic Resource Unit in California Returns to Service by February 13**

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200902131515.html>

### **Bruce Power Restarts 790 MW Bruce Nuke Unit 5 in Ontario February 15**

Operators shut the unit for two days to perform turbine system work, a news source said.  
Bloomberg News, 08:12 February 17, 2009

### **Update: OPG Restarts 494 MW Lambton Coal-fired Unit 2 in Ontario February 17**

The unit shut on February 12.  
Reuters, 12:44 February 17, 2009

### **OPG Shuts 155 MW Thunder Bay Coal-fired Unit 3 in Ontario February 15**

Bloomberg News, 08:43 February 17, 2009

### **TransAlta Shuts 383 MW Keephills Coal-fired Unit 2 in Alberta February 13**

Bloomberg News, 08:48 February 17, 2009

### **SWEPCO Plans 508 MW J. Lamar Stall Gas-fired Power Unit in Louisiana**

SWEPCO has begun preliminary site work, and expects to open the facility in 2010. It is located on the same property as the existing 110 MW, gas-fired Arsenal Hill power unit. That unit will remain online.  
<http://www.swepco.com/news/stallPowerPlant/default.asp>

### **FAA Says Planned Wind Farm in Massachusetts Could Impede Air Traffic Radar Systems**

In its "Notice of Presumed Hazard," the Federal Aviation Administration (FAA) said that the facility's planned 130 turbines could have an "adverse physical or electromagnetic interference effect upon navigable airspace or air navigation facilities." The study recommended upgrades to an existing radar system. A spokesman with Cape Wind Associates said that issue could be addressed.  
<http://www.capecodonline.com/apps/pbcs.dll/article?AID=/20090214/NEWS/902140317/-1/NEWSMAP>

### **OPPD Plans 75 MW Uprate at 482 MW Fort Calhoun Nuclear Power Plant in Nebraska**

Omaha Public Power District (OPPD) plans to boost capacity by 75 MW, or nearly 16 percent, at its 482 MW Fort Calhoun nuclear power plant, the company said. The company expects to finish the project in 2012.  
<http://www.wowt.com/home/headlines/39684297.html>

### **MidAmerican Energy Commissions of 153 MW Walnut Wind Farm in Iowa February 17**

The facility consists of 102 turbines.  
DJP, 11:30 February 17, 2009

## ***Petroleum***

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### **Update: Valero Shuts FCC at 289,000 b/d Port Arthur, Texas Refinery by February 17**

Workers shut the fluid catalytic cracker (FCC) to fix a leak, found after last week's restart, a company spokesman said. The work was expected to take one week.  
Bloomberg News, 13:28 February 17, 2009

### **Valero Restarting Hydrocracker, Preparing Coker Restart at 182,200 b/d Delaware City, Delaware Refinery February 17**

Two boilers shut on February 16, forcing rate reductions to the fluid catalytic cracking unit (FCC), the crude unit, the coker and the hydrocracker. Valero said today that it was restarting the hydrocracker and working to restart the coker. It did not indicate if the problem had an impact on production.  
Reuters, 12:13 February 17, 2009  
Reuters, 11:39 February 17, 2009  
Reuters, 12:42 February 16, 2009  
Bloomberg news, 11:32 February 17, 2009

### **Tank Fire at Citgo Terminal in Michigan February 15**

The fire occurred at a Citgo terminal in Ferrysburg, Michigan, in a 10,000 gallon water and petroleum residuals tank. The blaze was extinguished with no reported injuries, Citgo said.  
Bloomberg News, 15:51 February 15, 2009

### **Fire Shuts Coker Unit at Imperial Oil's 119,000 b/d Sarnia, Ontario Refinery February 13**

The fire began in the coker unit on February 13, triggering flaring and forcing a shutdown, a refinery employee said. It was extinguished within three hours. Imperial Oil said it was investigating the cause of the incident. Sources did not indicate when the coker might return to service.

Bloomberg News, 06:37 February 14, 2009

Bloomberg News, 04:57 February 14, 2009

### **Shell Says Niger Delta Unrest Forces Shut About 180,000 b/d of Oil Output**

Shell has taken offline approximately 180,000 b/d of crude delta in Nigeria "due to the security problem" in the Niger Delta, its chief executive said on February 16. Following a militant group's warning of further attacks, a Shell official said last week that the company had made preparations to evacuate its Niger Delta workers. A company spokesman said Shell does not plan to abandon its Nigerian operations, but said also that it intended to ensure its employees' safety. Nigerian youths today assaulted three Shell oil flow stations in Nigeria. The company said later that production was not affected.

Reuters, 12:46 February 17, 2009

<http://www.platts.com/Oil/News/8359083.xml?p=Oil/News&sub=Oil>

### **Update: Caspian Pipeline Consortium Eyes 2013 Completion in Plans to Double Capacity along 670,000 b/d Kazakhstan-Black Sea Oil Pipeline**

The Caspian Pipeline Consortium (CPC) expects to open the project in three phases, according to an official from one of its partner companies, Chevron. About 161,000 b/d of new capacity would enter service in 2011, followed by approximately 280,000-300,000 b/d by 2012, and a final 220,000-240,000 b/d by 2013.

<http://www.platts.com/Oil/News/8361177.xml?p=Oil/News&sub=Oil>

### **TNK-BP Begins Output at Planned 181,000 b/d Oil Complex in West Siberia February 16**

TNK-BP began production at the Urna and Ust-Tegus oilfields in West Siberia on February 16, a source reported.

The company expects to produce about 34,000 b/d of oil in 2009, and increase production to approximately 181,000 b/d by 2020.

Reuters, 10:43 February 16, 2009

### **Update: Mexico Could Recover as Much as 18 Billion Barrels of Oil from Chicontepec Field—Pemex Official**

Petroleos Mexicanos (Pemex) could be able to recover up to 18 billion barrels of oil over the next 30 years from Chicontepec, a company official told a news source. The onshore field holds a potential 139 billion barrels of oil.

Bloomberg News, 10:24 February 17, 2009

## **Natural Gas**

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### **Ice Formation Stalls LNG Movement along Algonquin Gas Transmission's HubLine Pipeline in New England**

Spectra Energy, Algonquin's parent company, said it found an "ice-type formation" on the HubLine system on or around February 6. "The formation is related to residual water from hydrostatic testing from last year," a spokeswoman said. The affected line delivers regasified natural gas from Exceleerate Energy's offshore Northeast Gateway LNG terminal to the Algonquin natural gas system. Sources conflicted as to whether the line was shut or reduced. Due to the disruption, a 3 Bcf LNG tanker offshore Massachusetts has been unable to complete its deliveries.

<http://www.platts.com/Natural%20Gas/News/6150793.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

### **Update: Devon Energy Slows O&G Production after February 11 Explosion along DCP Midstream Natural Gas Pipeline in Texas**

Devon Energy shut in about 80 MMcf/d of natural gas production and 7,900 b/d of oil and natural gas liquids output due to damages caused by the explosion, the company said in a release. It shut in some pipelines leading into the affected area, but said its gas processing plant facilities were undamaged.

<http://www.dvn.com/Newsroom/Pages/NewsRelease.aspx?id=1256464#terms?disclaimer=yes>

## **Update: Pine Prairie Energy Center Seeks FERC Approval to Double Capacity at Planned Louisiana Natural Gas Storage Project to 48 Bcf**

The Pine Prairie Energy Center filed with the Federal Energy Regulatory Commission (FERC) to double capacity at its planned natural gas storage facility to 48 Bcf. The facility, originally slated to store 24 Bcf of natural gas, is not yet complete.

<http://intelligencepress.com/>

## **Update: State Attorney General Asks FERC to Reverse Approval of Planned Sparrows Point LNG Terminal in Maryland**

Referring to the Federal Regulatory Commission's (FERC) decision as "hasty," Maryland's Attorney General Douglas F. Gansler asked the FERC to reconsider its approval of the planned Sparrows Point LNG Terminal.

<http://www.baltimoresun.com/news/local/politics/bal-md.co.lng14feb14,0,4614194.story>

<http://smd.com/news/headlines/2009/9390.shtml>

<http://www.energycurrent.com/index.php?id=3&storyid=16090>

<http://www.news8.net/news/stories/0209/594899.html>

## **Other News**

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Nothing to report.

## **Energy Prices**

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<b>U.S. Oil and Gas Prices</b>			
February 17, 2009			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	34.60	39.06	94.88
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	4.60	4.76	8.50
\$/Million Btu			

Source: Reuters

## **Energy Notes**

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### **Update: Golden Valley Electric Association, State of Alaska Announce Legal Settlement in Plans for 50 MW Healy Clean Coal Power Plant**

<http://newsminer.com/news/2009/feb/14/state-gvea-agree-terms-healy-clean-coal-plant-deal/>

### **Iberdrola Renewables Plans 24 MW Lempster Wind Power Project in New Hampshire**

MKW, 10:00 February 17, 2009

### **Update: Public Service Commission of West Virginia Okays Allegheny Energy Construction Plans for 500-kV TrAILCo Transmission Line through State**

<http://finance.yahoo.com/news/Allegheny-Energy-Announces-bw-14377402.html>

### **ExxonMobil Bypasses CO Boiler on Burner Failures at 348,500 b/d Beaumont, Texas Refinery February 13**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120153>

**Unit Shutdown Triggers Flaring at Big West's 68,000 b/d Bakersfield, California Refinery February 15**

Bloomberg News, 17:00 February 15, 2009

**Flying J's 72,000 b/d Longhorn Gasoline-and-Diesel Pipeline in Texas Shut or at Reduced Rates—Holly Corp. Official**

Bloomberg News, 11:59 February 17, 2009

**Update: USW Union Workers Approve New, Three-Year Deal at Shell's 329,800 b/d Deer Park, Texas Refinery February 14**

Bloomberg News, 15:39 February 14, 2009

**Update: Valero, USW Union Reach Labor Deals at 289,000 b/d Port Arthur, Texas Refinery and 180,000 b/d Memphis, Tennessee Refinery**

Bloomberg News, 14:02 February 13, 2009

**Gas Leak Slows Oil Production by 40,000 b/d at Abuzar Field Offshore Iran—Facility is Producing about 100,000-110,000 b/d of Oil, Official Says**

Reuters, 06:30 February 14, 2009

**Update: IEA Says World Could Face Potential Oil Supply Crunch from 2010 on if Demand Recovers**

Reuters, 06:31 February 16, 2009

**Multiple Turbines Briefly Shut at Goldsmith Gas Plant in Texas February 14-16**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120199>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120190>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120178>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120169>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120171>

**Equipment Malfunction at Tilden Gas Plant in Texas February 13**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120162>

**Imperial Oil Reaches Tentative Agreement with Aboriginal Group over Land Access for Planned Natural Gas Pipeline through Northwest Territories, Canada**

<http://www.google.com/hostednews/canadianpress/article/ALeqM5jz35Cgk3glEih-nhmZFXQUACgi8A>

**Enstar Says Slowed Gas Production from Cook Inlet Could Force LNG Imports to Alaska from 2011**

<http://www.platts.com/Oil/News/7361031.xml?p=Oil/News&sub=Oil>

**Full Circle Development Company Plans Wind Farm and Wood-to-Ethanol Facility in Michigan**

<http://www.wzzm13.com/news/story.aspx?storyid=105323&catid=2>

**Wescan Goldfields Receives Regulatory Permits for Saskatchewan, Canada Coal Development**

DJN, 09:01 February 17, 2009

**Links**

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*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](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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