



ENERGY ASSURANCE DAILY

Monday Evening, March 02, 2009

Major Developments

Winter Storm Knocks Out Power to More than 500,000 Customers along U.S. East Coast March 1-2

Heavy snow and ice knocked out power to an estimated 507,065 customers across eight eastern states March 1-2, based on multiple sources. More than 285,000 customers remained in the dark, as of latest reports. Included in the outages were about 185,000 customers in North and South Carolina, more than 150,000 customers in Virginia, and approximately 100,000 customers in Georgia. Duke Energy Carolinas and Dominion Virginia Power, the hardest-hit utilities, each said the outages would last beyond this evening. Forecasters expected the storm to move northward overnight. The following table lists peak and current outage figures, based on latest available data. Not included in the table are scattered outages among several neighboring states.

East Coast Winter Storm Customer Power Outages			
March 1-2, 2009			
Electric Utility	State	Peak	Latest Reported
Dominion Power	VA	137,442	66,468
Rappahannock Electric Cooperative	VA	11,098	9,136
Appalachian Power	VA	9,676	2,501
Central Virginia Electric Cooperative	VA	4,000	1,991
Georgia Power	GA	57,000	27,000
Georgia Electric Membership Corporation	GA	45,000	20,000
Duke-Energy	NC	99,596	70,050
Progress Energy	NC	2,383	157
Duke-Energy	SC	81,601	68,833
Baltimore Gas and Electric	MD	23,845	1,675
Delmarva Power	MD	13,517	3,911
SMECO	MD	9,707	7,735
PEPCO	MD	893	893
SW Tennessee Electric Mem. Corporation	TN	7,000	7,000
Delmarva Power	DE	3,283	73
Atlantic City Electric	NJ	1,024	249
TOTAL*		507,065	287,672

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

Sources:

<http://www.duke-energy.com/news/releases/2009030202.asp>

<http://www.dom.com/news/elec2009/pr0302.jsp>

Reuters, 12:06 March 2, 2009

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

Rappahannock Electric Coop: <http://www.myrec.coop/outage-center/outage-summary.cfm>

Appalachian Power: <http://www.appalachianpower.com/news/outages/default.asp>

Central Virginia Electric Cooperative: <http://cvecinfo.com/News/storms/>

Duke-Energy: <http://www.duke-energy.com/outages/stats/>

Progress Energy: <http://www.progress-energy.com/shared/outages/car/default.aspx>

Georgia Power: <http://www.ajc.com/services/content/printedition/2009/03/02/snow0302.html>

<http://www.accessnorthga.com/detail.php?n=218245>

Georgia Electric Membership Corporation:

<http://www.georgiaemc.com/backdoor/pdfs/March%201%20Winter%20Storm%20Advisory%206.pdf>

Baltimore Gas and Electric: <http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0>

Delmarva Power: <http://www.delmarva.com/home/emergency/maps/stormcenter/>
SMECO: <http://outage.smeco.coop/>
PEPCO: <http://www.pepco.com/home/emergency/maps/stormcenter/>
Southwest Tennessee Electric Membership Corporation:
<http://www.jacksonsun.com/article/20090301/NEWS01/90301010>
Atlantic City Electric: <http://www.atlanticcityelectric.com/home/emergency/maps/stormcenter/>

Electricity

AEP's 721 MW Pirkey Coal-fired Plant in Texas Shut February 27

An electrical fault forced shut the unit from February 27-March 1, the company said in a filing with state regulators.
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120723>
Reuters, 16:38 February 27, 2009

Duke's 222 MW Southbay Gas-fired Unit 4 in California Shut by February 28

According to the California Independent System Operator, the unit experienced an unplanned outage.
<http://www.caiso.com/unitstatus/data/unitstatus200902281515.html>

Update: Ameren Restarts 1,190 MW Callaway Nuclear Power Plant in Missouri by March 2

The plant shut on February 19 due to a power supply failure, according to an earlier regulatory filing. Ameren declared an unusual event, also on February 19, after it found "toxic, corrosive, flammable gases in amounts that have or could adversely affect normal plant operations," the filing said.

Bloomberg News, 07:39 March 2, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

Exelon's 1,111 MW La Salle Nuke Unit 1 in Illinois at Full Power by March 2

The Nuclear Regulatory Commission reported that on the morning of March 1 the unit was operating at 75 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 March 2

The Nuclear Regulatory Commission reported that on the morning of March 1 the unit was operating at 91 percent. Information derived from the NRC Power Reactor Status Reports:

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

PSE&G's 1,049 MW Hope Creek Nuke Unit 1 in New Jersey at Full Power by March 2

The Nuclear Regulatory Commission reported that on the morning of March 1 the unit was operating at 82 percent. Information derived from the NRC Power Reactor Status Reports:

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

Entergy's 966 MW River Bend Nuke Unit 1 in Louisiana Ramped Up to 96 Percent by March 1

The Nuclear Regulatory Commission reported that on the morning of February 28 the unit was operating at 73 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 850 MW Dresden Nuke Unit 3 in Illinois Ramped Up to 98 Percent by March 2

The Nuclear Regulatory Commission reported that on the morning of March 1 the unit was operating at 83 percent. Information derived from the NRC Power Reactor Status Reports:

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

Update: Exelon's 619 MW Oyster Creek Nuke Unit in New Jersey at Full Power by March 2

A fire damaged a transformer and forced shut the reactor on February 1. The company returned the unit to partial service by February 5, but the downed transformer prevented its return to full service. Operators installed a replacement transformer and increased the unit to full power by this morning. The Nuclear Regulatory Commission reported that on the morning of March 1 the unit was operating at 63 percent.

Reuters, 07:13 March 2, 2009

<http://www.app.com/article/20090228/NEWS/90228056/1001/rss>

Information also derived from the NRC Power Reactor Status Reports:

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

NMC's 522 MW Prairie Island Nuke Unit 1 in Minnesota at Full Power by March 1

The Nuclear Regulatory Commission reported that on the morning of February 28 the unit was operating at 46 percent.

Information 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 593 MW Big Brown Coal-fired Unit 2 in Texas March 2

Luminant planned to restart the unit this morning, March 2, after repairing a boiler tube leak, it said in a filing with state regulators. The unit went offline on February 27, according to a separate filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120702>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120699>

Reuters, 08:11 March 2, 2009

Update: Luminant Plans Restart of 591 MW Sandow Coal-fired Unit 4 in Texas February 28-March 1

Luminant shut the unit for work by about February 20.

Reuters, 08:18 March 2, 2009

OPG Shuts 494 MW Lambton Coal-fired Unit 1 in Ontario by March 2

Reuters, 08:31 March 2, 2009

OPG Shuts 494 MW Lambton Coal-fired Unit 3 in Ontario by March 2

Reuters, 08:31 March 2, 2009

OPG Shuts 490 MW Nanticoke Coal-fired Unit 3 in Ontario by March 1

Bloomberg News, 16:58 March 1, 2009

OPG Shuts 490 MW Nanticoke Coal-fired Unit 5 in Ontario by March 2

Reuters, 08:39 March 2, 2009

TransAlta's 406 MW Sundance Coal-fired Unit 6 in Alberta Shut by February 27

Bloomberg News, 15:22 March 1, 2009

NRC Reports Cite Safety, Maintenance Problems at SCE's 2,254 MW San Onofre Nuclear Power Plant in California

Southern California Edison's (SCE) San Onofre nuclear power plant has an ineffective safety system, a poor maintenance record and fails to properly train its employees, according to internal reports from the Nuclear Regulatory Commission (NRC). Operators failed for years to notice a loose battery connection, and also falsified fire-watch records, the reports indicated. SCE admitted some weaknesses, but said it operated the facility "in a safe and reliable manner."

<http://www.voiceofsandiego.org/articles/2009/02/27/science/963songs022509.txt>

Fire Forces Offline Crude Unit at Valero's 289,000 b/d Port Arthur, Texas Refinery February 27

A fire forced offline a crude unit at Valero's 289,000 b/d Port Arthur, Texas refinery on February 27, a company spokesman said. The blaze occurred in a heat exchanger, and did not cause any injuries. Operators placed the affected unit on circulation—instead of fully shutting it—to allow for a quicker return to production. They also increased production from Port Arthur's second crude unit. It was not clear if that would fully compensate for the downed output.

<http://www.reuters.com/article/marketsNews/idUSN0133041920090301>

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=120741>

Update: Shell Restarts Hurricane-Damaged Auger Oil-and-Gas Pipeline System in U.S. Gulf of Mexico over Weekend

Shell restarted a segment of its Hurricane Ike-damaged Auger pipeline system, the company said March 2, nearly six months after Ike tore through the Gulf of Mexico. The Auger system can deliver more than 100,000 b/d of oil and 415 MMcf/d of natural gas.

Reuters, 12:32 March 2, 2009

ConocoPhillips Plans FCC Restart at 247,000 b/d Alliance Refinery in Belle Chasse, Louisiana

ConocoPhillips plans to restart a gasoline-producing fluid catalytic cracking unit (FCC) this week at its Alliance refinery in Belle Chasse, Louisiana, an industry source said. The company experienced problems as it first attempted to restart the unit from a planned outage.

Polymerupdate, 06:07 March 2, 2009

Update: Murphy Oil Restarts FCC at 120,000 b/d Meraux, Louisiana Refinery by February 27

Murphy Oil restarted a fluid catalytic cracker (FCC) at its Meraux, Louisiana refinery by February 27, a company spokesman confirmed. The unit shut on February 25 due a steam loss from an associated boiler.

Bloomberg News, 15:24 February 27, 2009

Update: Caspian Pipeline Consortium Restarts 690,000 b/d Kazakhstan-to-Russia Oil Pipeline February 28

The Chevron-led Caspian Pipeline Consortium (CPC) fully restarted its Kazakhstan-to-Russia oil pipeline on February 28, two days after a leak forced the line out of service. The CPC line delivers crude from Kazakh oilfields to Russia's Novorossiisk port on the Black Sea. Exports from Novorossiisk were not impacted, the CPC said earlier.

Reuters, 23:27 March 1, 2009

Bloomberg News, 04:34 March 2, 2009

http://money.cnn.com/news/newsfeeds/articles/djf500/200903020014DOWJONESDJONLINE000004_FORTUNE5.htm

Natural Gas

Chesapeake Energy Shuts 200 MMcf/d of Natural Gas Production, 6,000 b/d of Oil Output on Market Conditions

Citing regional market conditions, Oklahoma-based Chesapeake Energy Corp. shut-in seven percent of its Mid-continent oil-and-gas production, the company said in a statement. Chesapeake said the shutdowns would last at least this month, but cautioned it could extend or deepen the cuts, should energy prices continue to lag..

<http://www.chk.com/News/Articles/Pages/1261333.aspx>

Bloomberg News, 09:43 March 2, 2009

ONEOK Partners Completes 537,200 Dth/d, 119-mile Guardian Natural Gas Pipeline Expansion in Wisconsin

ONEOK Partners boosted capacity along its existing Guardian natural gas pipeline by 537,200 Dth/d, the company announced February 26. The original Guardian line stretches 143 miles, from near Channahon, Illinois to Ixonia, Wisconsin. The new line extends 119 miles further, terminating near Green Bay, Wisconsin. ONEOK began partial throughput along the expanded line in December 2008, fully opened one of two compressor stations on February 10, and completed the second station on February 25.

http://www.downstreamtoday.com/news/article.aspx?a_id=15365

Other News

Fire at Tharaldson Ethanol's 120 MMGal/Yr. Ethanol Plant in North Dakota February 28

Firefighters extinguished the blaze on Saturday morning, February 28, and contained the damage to a dust collection bin. It was not clear from a news source if the incident impacted production.

<http://www.jamestownsun.com/articles/index.cfm?id=81317§ion=news>

Coal-Carrying CSX Train Derails in Maryland February 26

An 81-car CSX train partly derailed Thursday night, spilling an unspecified amount of coal near a Bowie, Maryland neighborhood. Two cars overturned and 13 others—including the locomotive—derailed. Crews were working to clean the spill on Friday, but a source cautioned that the effort could take several days. No cause was immediately clear.

<http://www.wjla.com/news/stories/0209/598972.html>

CONSOL Energy to Temporarily Idle 3.1 Million Ton/Year Buchanan Coal Mine in Virginia on Lagging Market

CONSOL Energy planned to idle coal production for at least one month, beginning March 1, from its approximately 3.1 million ton/year Buchanan Mine near Mavisdale, Virginia, it said in a release. The company cited market conditions in its decision, and said the idle period would allow it time to balance production with expected shipping schedules. Through a CONSOL subsidiary, the site is also expected to produce 85 Bcf of natural gas in 2009.

<http://phx.corporate-ir.net/phoenix.zhtml?c=66439&p=irol-newsArticle&ID=1261513&highlight=>

Energy Prices

U.S. Oil and Gas Prices			
March 2, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	40.08	38.29	102.08
NATURAL GAS Henry Hub \$/Million Btu	4.04	4.21	9.11

Source: Reuters

Energy Notes

High Pressure Trips D Sulfur at BP's 467,720 b/d Texas City, Texas Refinery February 27-28

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120742>

**Shell to Shut Failed Transformer at 329,800 b/d Deer Park, Texas Refinery March 2—
Company Expects no Impact to Production**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120736>
Reuters, 11:20 March 2, 2009

**ConocoPhillips Says February 27 Power Disruption May Have Had Minor Impact to
238,000 b/d Linden, New Jersey Refinery**

Bloomberg News, 12:26 March 2, 2009

**Sunoco's 178,000 b/d Marcus Hook, Pennsylvania/Delaware Refinery at about 75 Percent
Capacity on Market Conditions**

Bloomberg News, 16:28 February 27, 2009

**Sunoco, USW Union Extend Talks, Avert Strikes at 335,000 b/d Philadelphia Refinery and
178,000 b/d Marcus Hook Facility in Pennsylvania March 1**

http://www.publicbroadcasting.net/wned/news.newsmain?action=article&ARTICLE_ID=1475483

Compressor Shutdown at Cedar Lake Booster Station in Texas March 1

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120749>

**High Pressure Shuts Engines, Triggers Flaring at South Fullerton Booster Station in Texas
February 27**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120743>

Acid Gas Cooler Leak, Pump Failures Force Shut Tilden Gas Plant in Texas February 27

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120740>

**Update: Oregon's Department of Environmental Quality Informally Postpones Processing
Environmental Permits for NorthernStar Natural Gas' Proposed Bradwood LNG
Terminal**

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=12107771

Energy Grains Biomass, NextStep Biofuels Plan Cellulosic Ethanol Plant in Nebraska

<http://www.energygrainsbiomass.com/>
<http://ethanol-news.newslib.com/story/6938-31479/>

**Entrepreneur to Abandon Efforts for Garbage-to-Ethanol Plant in Indiana on Residents'
Disapproval**

<http://ethanol-news.newslib.com/story/6938-31482/>

Ethanol-Carrying Tanker Truck Overturns in Michigan February 26

<http://ethanol-news.newslib.com/story/6938-31454/>

**Portion of UtahAmerican's 3.8 Million Ton/Year West Ridge Coal Mine in Utah to Remain
Shut on Safety Concerns, Colorado Judge Rules**

<http://www.platts.com/Coal/News/7695896.xml?p=Coal/News&sub=Coal>

**Ecuador's 130,000 b/d OCP Oil Pipeline Could Restart March 2 after February 25
Rupture—Operator Says no Impact to Oil Exporters**

<http://uk.reuters.com/article/oilRpt/idUKN0239257420090302>
Reuters, 08:40 March 2, 2009

Oil Thieves Attack Shell's Escravos Oil Pipeline in Nigeria March 1

<http://www.vanguardngr.com/content/view/29977/42/>

Harsh Weather Forces Shut Mexico's Coatzacoalcos, Dos Bocas and Cayo Arcas Oil Ports in Gulf of Mexico over Weekend

Reuters, 11:24 March 2, 2009

Technical Snags Slow Crude Exports from Iraq's Basra Terminal to 648,000 b/d February 28—Rates Return to 1.44 Million b/d March 2

Reuters, 12:35 March 2, 2009

http://www.tehrantimes.com/index_View.asp?code=190189

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

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/ead.aspx>

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