



ENERGY ASSURANCE DAILY

Wednesday Evening, March 14, 2012

Electricity

Transformer Explosion, Fire Knocks Out Power to 20,000 NSTAR Customers in Boston March 13

A 115-kilovolt transformer in the Back Bay neighborhood of Boston exploded and caught fire shortly after 6:00 PM EST last night, causing an adjacent transformer and a second substation in Chinatown to overload and knocking out power to approximately 20,000 NSTAR customers in the area. According to the utility's website, NSTAR has restored power to about 9,000 customers affected by the incident, and its crews were working throughout the day to restore power to the remaining customers by tonight. The utility was relying on generators brought in from across New England and New York to restore power, according to reports. NSTAR and local officials are investigating what caused the explosion.

Reuters, 10:08 March 14, 2012

http://www.bostonherald.com/news/regional/view/2022031413000_in_back_bay_still_without_power/srvc=home&position=also

http://www.nstar.com/residential/backbay_outage_update.asp

Dominion Virginia Power Offshore Wind Study Recommends Ocean Substations Be Added in Atlantic

One offshore substation platform with two 230-kilovolt power lines could transmit to shore every 500–700 MWs of wind-generated electricity constructed off the coast of Virginia, according to a study recently commissioned by Dominion Virginia Power. The report, completed by ABB Power Systems Consulting, evaluated the offshore transmission options to support future projects and built its recommendations on the company's first study in 2010 that looked at potential onshore interconnection options and upgrades needed to support offshore wind generation projects. The studies complement one another as transmission lines from the four recommended offshore service platforms would likely be routed to two separate onshore interconnection points. Dominion commissioned both studies in an effort to respond to calls for information from the U.S. Bureau of Ocean Energy Management and the U.S. Department of Energy on wind-generated energy projects.

<http://dom.mediaroom.com/index.php?s=26677&item=124249>

Update: First Solar to Build 20 MW Maryland Solar Power Project in Hagerstown, Maryland

First Solar, Inc. today announced its 100 percent stake in the previously announced Maryland Solar power project, a 20 MW (AC) photovoltaic solar power project in Hagerstown, Maryland. The project, which has a contract to sell electricity and renewable energy credits to FirstEnergy Solutions, is expected to start construction in the second quarter of 2012 for completion by the end of the year.

<http://investor.firstsolar.com/releasedetail.cfm?ReleaseID=657150>

Chevron Reports Pipeline Leak at 330,000 b/d Pascagoula, Mississippi Refinery March 13

Chevron Corp. has contained about 45 barrels of heavy oil it discovered leaking into Bayou Casotte during an early morning inspection Tuesday, reports said. After a sheen was reported near the refinery's wharf on the east side of the Bayou, the refinery shut down all valves and pipes going into the wharf area and followed other standard procedures for containment and recovery. The leak was traced to a pipe going over the water, operators said, and the oil was mostly beneath the wharf. The refinery was continuing to fulfill customer orders, but it could not say what impact the leak would have on operations. Late last week operators reported another pipeline leak at the refinery, but there is no indication the two incidents are related.

http://blog.gulflive.com/mississippi-press-news/2012/03/chevron_oil_leak_in_bayou_caso.html

Update: Citgo Restarts Alkylation Unit at Its 163,000 Corpus Christi, Texas Refinery March 13

Citgo Corp. announced it successfully restarted an alkylation unit at the refinery's East Plant on Tuesday. Operators shut the unit March 5 when a flange leak released propane, butane, pentane, and hydrofluoric acid into the air, setting off water cannons to contain the airborne acid. Investigators traced the leak back to a 12-inch pipeline, according to a safety board statement. The U.S. Chemical Safety Board is conducting a special inquiry into the incident as part of a larger investigation into a 2009 hydrofluoric acid leak at the alkylation unit, which led to the installation of the water-mitigation system that was deployed in the March 5 release.

DJN, 09:54 March 14, 2012

<http://www.caller.com/news/2012/mar/12/chemical-safety-board-investigators-continue/>

Suncor Shuts Upgrader for Unplanned Work at Its 361,000 b/d Fort McMurray, Alberta Oil Sands Facility; Reduces Output to 140,000 b/d

Suncor Energy Inc. announced yesterday it was shutting one of two oil sands upgraders (U2) at its Fort McMurray plant for 3–5 weeks of unplanned maintenance due to a U2 fractionator performance issue, according to a statement. Oil sands production during the maintenance period is estimated to be approximately 140,000 b/d, according to the statement. The upgrader facility averaged 361,000 b/d of output in February, according to the company's website.

<http://www.businessweek.com/news/2012-03-14/syncrude-surges-after-suncor-shuts-upgrader-for-unplanned-work>

<http://www.suncor.com/en/newsroom/2418.aspx?id=1583877>

NuStar Nearing Completion of 100,000-Barrel Expansion at Texas City, Texas Terminal

NuStar Energy is nearing completion on a multiyear expansion project that will bring capacity at its Texas City, Texas terminal to 2.82 million barrels, a company spokesman said Wednesday. Since 2005, the terminal has added 812,000 barrels in capacity, and it has converted and upgraded numerous existing tanks to concentrate more on fuel oil, crude, and bunker storage, the spokesman said. The final phase of this expansion has been the addition of two 50,000-barrel capacity tanks converted for fuel oil purposes; one of these came online in December, and the other is slated for April.

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/6053270>

Natural Gas

Chesapeake Energy, Partners to Build Integrated Midstream Service Complex in Utica Shale Play in Eastern Ohio

Chesapeake Energy Corporation yesterday announced that its wholly owned subsidiary, Chesapeake Midstream Development, L.P. (CMD), has executed definitive agreements with M3 Midstream LLC (Momentum) and EV Energy Partners, L.P. to jointly build a large integrated midstream service complex in eastern Ohio. The complex will provide necessary infrastructure to process natural gas and natural gas liquids (NGL) in the liquids-rich Utica Shale play in eastern Ohio. The complex will consist of natural gas gathering and compression facilities constructed and operated by CMD, as well as processing, NGL fractionation, loading, and terminal facilities constructed and operated by Momentum. The cryogenic processing facility will be located in Columbiana County and have an initial capacity of 600 MMcf/d. NGLs will be delivered to a central NGL hub complex in Harrison County that will feature an initial NGL storage capacity of 870,000 barrels and fractionation capacity of 90,000 b/d, as well as a substantial rail-loading facility. Significant engineering and procurement has already begun for the project, with the first cryogenic processing and fractionation plants scheduled to be in service by the second quarter of 2013.

<http://www.chk.com/News/Articles/Pages/1672307.aspx>

Other News

Update: DDCE to Start Construction on 27.5 MMGal/Yr. Cellulosic Ethanol Plant in Iowa Later This Year

A DuPont Danisco Cellulosic Ethanol (DDCE) executive recently said the company hopes to start construction on a 27.5 million-gallon cellulosic ethanol plant later this year, according to reports. DDCE last year purchased land for the site in Nevada, Iowa, adjacent to the Lincolnway Energy conventional ethanol plant, with which DDCE hopes to share utilities and rail siting. The plant will use corn stover for feedstock. As part of its motivation for investing in the plant, DDCE cited the cellulosic producer tax credit and the need to meet the federal Renewable Fuel Standard mandate.

<http://domesticfuel.com/2012/03/13/update-on-dupont-cellulosic-ethanol-iowa-plant/>

International News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
March 14, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	106.05	106.19	100.36
NATURAL GAS Henry Hub \$/Million Btu	2.15	2.30	3.90

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.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://www.eia.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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