



ENERGY ASSURANCE DAILY

Tuesday Evening, March 16, 2010

Electricity

More Than 160,000 Customers Remain Without Power across U.S. Northeast March 16—Weekend Storms Cut Electricity to More than 1.1 Million

More than 160,000 customers—about 80,000 in New York, 40,000 in New Jersey, 40,000 in Connecticut and smaller numbers elsewhere—remained without power on March 16, days after storms knocked out electricity to more than 1.1 million, multiple sources said. Some customers could be in the dark until Friday, based on company releases. The following table lists peak and current outage figures, based on latest available data.

U.S. Northeast Customer Power Outages			
March 12 – March 16, 2010			
Electric Utility	State	Peak	Latest Reported
Public Service Electric & Gas	NJ	300,000	35,000
Jersey Central Power & Light	NJ	178,000	5,000
Atlantic City Electric	NJ	42,000	32
Consolidated Edison	NY	173,000	44,226
Long Island Power Authority	NY	144,000	34,157
Orange & Rockland	NY	51,000	1,371
New York State Electric & Gas	NY	24,500	350
Central Hudson Gas & Electric	NY	6,200	53
PECO	PA	120,000	3,000
Metropolitan Edison	PA	6,000	2,500
PPL Electric Utilities	PA	1,500	18
Connecticut Light & Power	CT	85,000	39,326
United Illuminating	CT	13,000	547
National Grid/NStar	MA	20,000	1,099
Western Massachusetts Electric	MA	2,065	2
TOTAL*		1,166,265	166,681

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

Sources:

Public Service Electric & Gas: http://www.pseg.com/media_center/pressreleases/articles/2010/2010-03-15.jsp ,
http://www.pseg.com/media_center/pressreleases/articles/2010/2010-03-16.jsp ,
<http://www.philly.com/philly/news/local/87636287.html>

Jersey Central Power & Light: http://www.firstenergycorp.com/outages/outages.do?state_code=NJ ,
<http://www.app.com/article/20100315/NEWS/100315020/22-000-in-Central-Jersey-remain-without-power-this-morning> ,
<http://wcbstv.com/topstories/wayne.new.jersey.2.15.62754.html> ,
<http://www.app.com/article/20100316/NEWS03/100316084/Lights-slowly-coming-back-on-in-NJ>

Atlantic City Electric: <http://www.philly.com/philly/news/local/87636287.html> ,
<http://www.atlanticcityelectric.com/home/emergency/maps/stormcenter/>

Consolidated Edison: <http://apps.coned.com/weboutageinfo/stormcenter/default.aspx> ,
<http://www.coned.com/newsroom/news/pr20100315.asp> , <http://www.coned.com/newsroom/news/pr20100316.asp>

Long Island Power Authority: <http://www.lipower.org/stormcenter/outages/township.html> ,
<http://www.buzztab.com/latest-news/lipa-is-still-working-to-restore-power-in-long-island/>

Orange & Rockland: <http://www.oru.com/advisories/?id=410> , http://wp1.coned.com/or_stormcenter/default.aspx

New York State Electric & Gas (NYSEG):

<http://www.nyseg.com/OurCompany/News/2010/031510eaststorm11am.html> ,
<http://www.nyseg.com/OurCompany/News/2010/031510eaststorm9pmfinal.html>

Central Hudson Gas & Electric: <http://stormcentral.cenhud.com/default.aspx> ,
<http://www.poughkeepsiejournal.com/article/20100314/NEWS01/100314002/Wind--rain-cause-outages>
PECO: <http://www.peco.com/outagemap> , <http://www.philly.com/philly/news/local/87636287.html> ,
http://www.phillyburbs.com/news/local/the_intelligencer/the_intelligencer_news_details/article/2504/2010/march/16/peco-works-to-restore-power.html
Met-Ed: http://www.firstenergycorp.com/outages/outages.do?state_code=PA ,
<http://readingeagle.com/article.aspx?id=205278>
PPL Electric Utilities: <http://readingeagle.com/article.aspx?id=205278> ,
<https://selfserv.pplelectric.com/EUSelfServ/Outage/OutageMap.aspx>
Connecticut Light & Power (CL&P): <http://www.cl-p.com/outage/default.aspx> ,
<http://nuwnotes1.nu.com/apps/mediarelease/clp-pr.nsf/0/16C8B18D5B6F5A0A852576E70061BF93?OpenDocument> ,
<http://nuwnotes1.nu.com/apps/mediarelease/clp-pr.nsf/0/66460F4F1A4AB601852576E7000715FF?OpenDocument>
, <http://www.acorn-online.com/joomla15/wiltonbulletin/news/localnews/52402-clap-works-to-restore-power.html>
United Illuminating: <http://www.middletonpress.com/articles/2010/03/15/news/doc4b9d9be105b88982571896.txt>
, http://www.uinet.com/wps/PA_TownOutages/faces/jsp/TownOutagePrint.jsp
National Grid, NStar: http://www.enterprisene.com/news/state_news/x313365162/High-wind-and-heavy-rains-pummel-region , <http://www1.nationalgridus.com/masselectric/stormcenter/>
<http://www.google.com/hostednews/ap/article/ALeqM5h6tfNzApstofgsxNKaABnHUoKKVQD9EF5C1G1>
Western Massachusetts Electric: <http://www.wmeco.com/community/stormcenter/restorationstatus.aspx>

Inspectors Find Cracks in Critical Tubing at FirstEnergy's 925 MW Davis-Besse Nuclear Power Plant in Ohio by March 15

Inspectors found the cracks in "nozzles," or "corrosion-resistant alloy steel tubes" that enable workers to "adjust the nuclear fission by moving control rods into and out of the reactor core," a news source said. Similar cracks were to blame for a pineapple-sized hole that the company found in 2002 at the Davis-Besse site. A company spokesman, however, said the latest incident was "not nearly as significant as our 2002 event." There was no threat to public safety, he said.

http://www.cleveland.com/business/index.ssf/2010/03/cracks_found_in_critical_react.html
<http://www.ohio.com/business/87712397.html>

Reliant's 741 MW Ormond Beach Gas-fired Unit 1 in California Reduced by March 15

According to the California Independent System Operator, the unit reported an unplanned curtailment of 641 MW by March 15.

<http://www.caiso.com/unitstatus/data/unitstatus201003151515.html>

Update: Watson Cogeneration's 417 MW Watson Cogeneration Gas-fired Unit in California Ramps up by March 15

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 227 MW.

<http://www.caiso.com/unitstatus/data/unitstatus201003151515.html>

Update: Reliant's 775 MW Ormond Beach Gas-fired Unit 2 in California Returns to Service by March 15

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

<http://www.caiso.com/unitstatus/data/unitstatus201003151515.html>

Update: Entergy's 1,207 MW Grand Gulf Nuke Unit 1 in Mississippi Ramped Up to 76 Percent by March 16

The unit shut automatically due to "low reactor water level" by March 9, the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of March 15 the unit was operating at 51 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100309en.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: TVA's 1,118 MW Browns Ferry Nuke Unit 2 in Alabama at Full Power by March 16

Operators slowed the unit to 19 percent capacity on March 9 to fix a service transformer, a plant spokesman said previously. The Nuclear Regulatory Commission reported that on the morning of March 15 the unit was operating at 85 percent.

Bloomberg News, 07:20 March 16, 2010

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

NorthWestern Energy Plans 500-kV, Montana-to-Idaho, MSTI Transmission Line

The company plans to break ground in the spring of 2012 on its proposed 500-kV, approximately-430-mile, Montana-to-Idaho "Mountain States Transmission Intertie" (MSTI), according to a news release. It expects to open the line in early spring, 2015. The company also plans to install up to five 230-kV generator lead lines in Montana. The lines would originate in "high-quality wind regions," and deliver electricity to a new substation south of Townsend, Montana. There, they would connect to an existing transmission system and the proposed MSTI line.

<http://www.northwesternenergy.com/OurCompany/NewsCenter/displaynews.aspx?Article=6896&item=20>

OG&E Seeks OCC Okay for Smart Meter Program in Oklahoma

The company aims to install more than 600,000 smart meters in the next three years, according to a news release.

<http://phx.corporate-ir.net/phoenix.zhtml?c=106374&p=irol-newsArticle&ID=1402535&highlight=>

Petroleum

Motor Trip Forces Shut Compressor at Total's 174,000 b/d Port Arthur, Texas Refinery March 15

Operators restarted the unit within three hours, the company said in a filing with state regulators. It was not clear if the incident had any impact to production. The refinery "produces transportation fuels and asphalt, propylene, ethylene, toluene, xylene, and other products," according to its website.

http://www.totalpetrochemicalsusa.com/who_we_are/faqs.asp

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=137076>

Unit Snag Causes Flaring at BP's 160,000 b/d Toledo, Ohio Refinery

The malfunction led to flaring from a sulfur recovery unit (SRU), BP said in a filing with local regulators. It was not clear if the incident had any impact to production.

Bloomberg News, 10:51 March 16, 2010

Magellan Midstream Shuts ULSD-and-Gasoline-Loading Rack after Approximately-114-Barrel Diesel Spill along Pipeline in Milford, Iowa March 14

Some of the diesel may have entered a tributary of the Little Sioux River, the state's Department of Natural Resources said.

Bloomberg News, 16:56 March 15, 2010

Suncor Reports Partial Shutdown after Mechanical Issue at 135,000 b/d Edmonton, Alberta Refinery

Suncor did not say which units were offline, or at what rate the facility was producing. The company, however, expected to restart units later on March 16, a spokeswoman said.

Reuters, 12:12 March 16, 2010

<http://www.reuters.com/article/idUSN1521421120100315?type=marketsNews>

<http://www.vancouversun.com/business/Black+yellow+smoke+forces+temporary+shutdown+Edmonton+Suncor+refinery/2685969/story.html>

Update: PdVSA to Keep Offline 320,000 b/d Isla, Curacao, Netherlands Antilles, Netherlands Refinery until at Least April

A power outage "caused serious damage to key air compressors" and forced shut the PdVSA-owned facility on March 1, a news source said. The company does not expect to restart production until April, at the earliest, according to a refinery official.

http://www.downstreamtoday.com/news/article.aspx?a_id=21659

Thanks to CO2 Injections, Anadarko Expects to Produce 800 Million More Barrels of Oil at Aging Salt Creek Field in Wyoming

Anadarko expects the field to remain online until at least 2050—35 years longer than previous projections—as carbon dioxide (CO2) injections buoy output at the aging field, a news source said. To produce one barrel of oil, the company pumps between 5,000 and 8,000 cubic feet of CO2 underground. The oil, when burned, generates approximately 8,000 cubic feet of atmospheric carbon. In effect, the site is “60 to 100 percent carbon free,” according to the company.

<http://www.nytimes.com/cwire/2010/03/16/16climatewire-wyo-wants-more-carbon-dioxide-66988.html>

MMS to Hold Lease Sale for Oil-and-Gas Blocks Offshore Louisiana, Mississippi and Alabama March 17

The blocks could yield about 0.8-to-1.3 billion barrels of oil and 3.3-to-5.4 trillion cubic feet of natural gas, according to the U.S. Department of the Interior’s Minerals Management Service (MMS).

http://www.mms.gov/oc/press/2010/MA_0312.htm

BP Purchases Majority Stake in Value Creation’s Planned 300,000-Plus b/d Terre de Grace Oilsands Project in Alberta, Canada

The site is slated to begin production in 2011, and eventually produce more than 300,000 b/d of oil, according to Value Creation. BP’s purchase could allow Value Creation to pursue a subsidiary’s separate, previously-delayed plan to construct a 260,000 b/d upgrader near Edmonton, according to one source.

<http://www.businessweek.com/news/2010-03-16/bp-takes-stake-in-value-creation-s-canadian-oilsands-update1-.html>

<http://www.calgaryherald.com/business/strikes+another+oilsands+deal/2688401/story.html>

BP, Devon Deal to Generate More than 200,000 b/d of Alberta, Canada Oilsands Production by 2020—Analyst

BP purchased several Devon Energy assets in Brazil, Azerbaijan and the Gulf of Mexico last week; Devon, in turn, bought a 50 percent share in and agreed to operate BP’s previously-stalled Kirby oilsands project in Alberta, Canada, a news source said. Devon owns multiple other oil sands projects in Alberta, Canada, and the BP deal will, by 2020, yield more than 200,000 b/d of oil production, a UBS analyst says. BP will use some of that production to supply its Whiting, Indiana refinery, according to the analyst.

<http://network.nationalpost.com/NP/blogs/tradingdesk/archive/2010/03/15/bp-wades-deeper-into-oil-sands.aspx>

Shell to Boost Global Oil-and-Gas Production to 3.5 Million boe/d in 2012, from 3.15 Million boe/d in 2009

Shell has broken ground on some 11 billion boe of new oil-and-gas resources, and “is assessing over 35 new projects from some 8 billion boe resources,” it said in a March 16 release. The company expects to add refining capacity in the United States, according to the release.

http://www.shell.com/home/content/investor/news_and_library/press_releases/2010/strategy_update_16032010.html

ConocoPhillips Expects New Developments to Boost Recoverable Reserves by as Much as 503 Million Boe at Offshore Norwegian Oil-and-Gas Fields

The company plans to spend up to \$12.2 billion to increase recoverable reserves by about 157-to-220 million boe at the Ekofisk South field offshore Norway, and by 220-to-283 million boe at the Eldfisk field, also offshore Norway, according to plans filed with the Norwegian Oil Ministry.

http://www.rigzone.com/news/article.asp?a_id=89475

Statoil Plans 2012/2013 Start-Dates for Four Oil-and-Gas Fields, Combined 140 Million Boe, Offshore Norway

The company expects to begin production in 2012 at the Katla, Vigdis Nordost and Pan/Pandora fields and at the Gigrud field in 2012/2013, it said in a news release.

<http://www.statoil.com/en/NewsAndMedia/News/2010/Pages/16MarFasttrack.aspx>

Update: UAE Eyes Early-2011 Start-Date for 1.8 Million b/d Oil Pipeline Bypassing Strait of Hormuz

The line would deliver oil from Abu Dhabi to the Fujairah oil port along the United Arab Emirates' eastern coast, according to a news source. It would divert about 78 percent of the nation's oil exports from the part-Iranian-controlled Strait of Hormuz.

<http://www.zawya.com/Story.cfm/sidZW2010031600054/UAE%20Oil%20Exports%20To%20Skip%20Hormuz.%20Iran%20Threat>

Natural Gas

Update: Imperial-led Consortium Sees First Natural Gas in 2018, at the Earliest, along Proposed 1.2 Bcf/d Beaufort Sea-to-Alberta, Canada Mackenzie Valley Pipeline

The Mackenzie Gas Project would allow multiple companies to produce up to 1.2 Bcf/d of natural gas in the Beaufort Sea and northern Canada, and deliver that gas along a 743-mile pipeline to Alberta, Canada, according to a project website. The Imperial Oil-led consortium had previously expected to begin production in 2014, according to a news source.

<http://www.winnipegfreepress.com/business/breakingnews/imperial-says-earliest-startup-date-for-mackenzie-gas-project-in-2018-87704962.html>

<http://www.mackenziegasproject.com/theProject/overview/index.html>

Southern Union Company Receives FERC Approval to Open Units and NGL Extraction Facility at LNG Regasification Terminal in Louisiana by March 15

The company received approval from the Federal Energy Regulatory Commission (FERC) to open four ambient air vaporization units (AVUs) and a natural gas liquids (NGL) extraction facility at its liquefied natural gas (LNG) terminal in Lake Charles, Louisiana, it said in a news release.

<http://www.southernunionco.com/press/031510.htm>

Other News

Saft Breaks Ground on Lithium-ion Battery Manufacturing Plant in Jacksonville, Florida March 15

Saft expects to begin production during the second half of 2011, it said in a news release. The company received a \$95.5 million grant from the Department of Energy, and local and state incentives.

http://www.saftbatteries.com/SAFT/UploadedFiles/PressOffice/2010/CP_11-10_eng.pdf

Energy Prices

U.S. Oil and Gas Prices			
March 16, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	81.61	81.73	47.38
\$/Barrel			
NATURAL GAS			
Henry Hub	4.29	4.47	3.90
\$/Million Btu			

Source: Reuters

Boralex Expects to Open 50 MW Phase II at Existing 40 MW Thames River Wind Farm in Ontario, Canada by December 2010

<http://www.prnewswire.com/news-releases/boralex-obtains-total-financing-for-thames-river-wind-farm-90-mw-87673257.html>

We Energies Plans 50 MW Biomass-fired Power Plant near Wausau, Wisconsin—Company Aims to Break Ground in 2011, Complete Work 30 Months Later

<http://www.jsonline.com/business/87725057.html>

Update: Lab Finds no Tritium Contamination in Water Samples from Connecticut River near Entergy's 563 MW Vermont Yankee Nuclear Power Plant in Vermont by March 13

http://www.reformer.com/localnews/ci_14668359

Pipe Releases Small Quantity of Radioactive Tritium at Entergy's 2,311 MW Indian Point Nuclear Power Plant in New York by March 13—NRC Sees no Threat to Employees

<http://www.recordonline.com/apps/pbcs.dll/article?AID=/20100313/NEWS/3130319/-1/SITEMAP>

Enbridge Says Lagging Demand to Blame for Reduced Throughput along 190,000 b/d, Illinois-to-Oklahoma "Spearhead" Oil Pipeline

Reuters, 11:41 March 16, 2010

State Supreme Court Says Air Regulators Improperly Okayed ULSD-Production Project at ConocoPhillips 139,000 b/d Wilmington, California Refinery

<http://articles.latimes.com/2010/mar/15/local/la-me-court-pollute16-2010mar16>

StatoilHydro Plans Safety Upgrades and Oil Blending Project at South Riding Point Oil Storage Terminal in Grand Bahamas

http://www.tribune242.com/business/03152010_Statoil-Page-1-2_Business

Oil Companies Avoiding Venezuela, Despite State's Pleas—Shell

Reuters, 12:53 March 16, 2010

Turkey Seeks to Renew Operating Agreement for 600-mile Iraq-to-Turkey Oil Pipeline—Line Can Deliver 1.6 Million b/d, but Typically Runs at about 500,000 b/d

Reuters, 08:26 March 16, 2010

Algeria Expects Refining Capacity to Accommodate its Entire Crude Production Capacity by 2015

Reuters, 08:35 March 16, 2010

Power Failure Forces Shut Welch CO2 Gas Processing Facility in Texas March 15—Operators Restart Facility within Two Hours

<http://www11.tceq.state.tx.us/oce/eei/index.cfm?fuseaction=main.getDetails&target=137064>

Update: Federal Judge Tells Port of Astoria to Reinstate Disputed 30-Year Lease to State of Oregon by March 15—Ruling Could Encourage Development of Oregon LNG's Planned LNG Terminal

http://www.downstreamtoday.com/news/article.aspx?a_id=21644

Gazprom-led Nord Stream AG Expects to Complete Second Section of Russia-to-Germany Nord Stream Natural Gas Pipeline by November 2012

Bloomberg News, 07:34 March 16, 2010

Los Angeles Mayor Announces “Carbon Reduction Surcharge” Proposal to Raise Money for Clean Energy and Energy Efficiency Projects

<http://mayor.lacity.org/MeettheMayor/TheBlog/index.htm#carbonsurcharge>

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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