



# ENERGY ASSURANCE DAILY

Tuesday Evening, March 17, 2009

## ***Electricity***

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### **Duke Energy Reports 27,894 Customers Briefly without Power in Ohio and Kentucky March 17**

Only scattered outages remained, as of latest reports.  
<http://www.duke-energy.com/ohio/outages/current.asp>

### **GE's 376 MW Inland Empire Energy Center Gas-fired Unit 1 in California Shut by March 16**

According to the California Independent System Operator, the unit experienced an unplanned shutdown by March 16.  
<http://www.caiso.com/unitstatus/data/unitstatus200902221515.html>

### **Update: TVA's 1,155 MW Browns Ferry Nuke Unit 1 in Alabama at Full Power by March 17**

The unit went offline by February 18 due to an electrical bus malfunction. Tennessee Valley Authority (TVA) began restarting it on February 19, but terminated that effort due to an issue with the recirculation system. The Nuclear Regulatory Commission reported that on the morning of March 16 the unit was operating at 42 percent.  
Reuters, 07:24 March 17, 2009

Information derived from the NRC Power Reactor Status Reports:  
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

### **Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Restarted by March 17**

Entergy returned the unit to 10 percent power by this morning, March 17, the Nuclear Regulatory Commission (NRC) reported. The unit went offline on March 13 due to a valve failure, according to a news source.

Reuters, 07:32 March 17, 2009  
Bloomberg News, 10:27 March 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/>

### **Update: Exelon's 855 MW Quad Cities Nuke Unit 1 in Illinois Ramped Up to 97 Percent by March 17**

The Nuclear Regulatory Commission reported that on the morning of March 16 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/>

### **Update: Luminant to Restart 793 MW Martin Lake Coal-fired Unit 3 in Texas March 17**

The company planned to restart the unit this morning, March 17, "following clean out of the backpass of the boiler," it said in a filing with state regulators. The unit went offline by March 15, according to a separate filing.

Reuters, 11:22 March 17, 2009  
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121339>  
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121337>

### **AEP Plans Restart of 721 MW Pirkey Coal-fired Power Plant in Texas March 17-23**

American Electric Power (AEP) expected to restart the unit after repairing an electrical fault, it said in a filing with state regulators. The restart was slated to last from March 17 to March 23.

Reuters, 11:37 March 17, 2009  
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121009>

### **Update: OPG Restarts 490 MW Nanticoke Coal-fired Unit 5 in Ontario by March 17**

The unit went offline by March 16.  
Reuters, 07:50 March 17, 2009

### **Update: TransAlta's 279 MW Wabamun Coal-fired Power Plant Back Online March 16**

The unit shut on March 13.  
Bloomberg News, 08:18 March 17, 2009

### **Update: Southern Receives State Approval for Planned 2,200 MW Addition at Vogtle Nuclear Power Plant in Georgia**

The Georgia Public Service Commission (PSC) approved Southern Co.'s plans to build two new nuclear units, with a combined 2,200 MW of capacity, at its Vogtle nuclear power plant. Southern said it would wait for approval from the Nuclear Regulatory Commission (NRC) before deciding whether to pursue the project.  
Bloomberg News, 13:16 March 17, 2009

### **Democratic House Members Request NRC Inquiry into February Radioactive Water Leak at Entergy Nuclear's 2,311 MW Indian Point Nuclear Power Plant in New York**

Four Democratic House members asked the Nuclear Regulatory Commission (NRC) to investigate a radioactive water leak at Entergy's Indian Point nuclear power plant in New York. A pipe broke at Indian Point on February 16, spilling approximately 100,000 gallons of water containing radioactive material. The liquid may have entered the Hudson River. The lawmakers blamed the incident on "aging infrastructure," and questioned whether the NRC should extend Indian Point's operating license.

[http://www.midhudsonnews.com/News/2009/March09/14/IP\\_Leak\\_reps-14Mar09.html](http://www.midhudsonnews.com/News/2009/March09/14/IP_Leak_reps-14Mar09.html)

### **Electricity Theft on the Rise as Economy Sputters**

According to reports from utilities and analysts, poor economic conditions have triggered a sharp uptick in electricity theft, as struggling customers seek to avoid paying their bills. Among the offenders are both residential and commercial customers. For example, PPL in Pennsylvania reported a 16 percent rise in thefts last year, mostly involving customers whose power had been terminated for lack of payment. In Philadelphia, PECO cut off electricity for 14,000 customers in early 2008—30 percent of those customers were still using electricity, as of late last year, the utility said. Consulting firm Detectent reported a double-digit increase in business-sector thefts over the past six months.

[http://www.usatoday.com/money/industries/energy/2009-03-16-electricity-thefts\\_N.htm](http://www.usatoday.com/money/industries/energy/2009-03-16-electricity-thefts_N.htm)

### **Interior Department, FERC Establish Jurisdictional Arrangements to Spur Offshore Renewable Energy Power Projects**

The Interior Department and the Federal Energy Regulatory Commission (FERC) announced that they are working to establish a jurisdictional agreement to help speed the approvals of offshore renewable energy projects. Both plan to develop a memorandum of understanding to formally spell out the process for handling offshore energy projects. The agreement would give the Interior Department jurisdiction over offshore wind and solar energy projects, and the FERC authority over wave-and-tidal offshore plans.

Reuters, 11:42 March 17, 2009

## ***Petroleum***

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### **Update: Motiva Delays Expansion at 285,000 b/d Port Arthur, Texas Refinery on Economic Conditions**

Citing lagging market conditions, Motiva Enterprises postponed plans to boost capacity at its Port Arthur refinery to 600,000 b/d. The company had planned to finish the expansion by late 2010. Now, it expects to complete work during the first quarter of 2012, a spokesman said. Motiva is a joint venture between Shell Oil and Saudi Refining Inc. Also today, Shell announced that it had delayed plans to start-up its Perdido platform in the Gulf of Mexico, as well as its Forcados Yokri and Bonga NW projects in Nigeria. Shell expects Perdido to begin production in 2010-2011, and the Nigerian projects from 2012 onwards.

Reuters, 11:01 March 17, 2009

Bloomberg News, 11:37 March 17, 2009

<http://www.chron.com/disp/story.mpl/business/energy/6316340.html>

## **Valero to Briefly Halt 110,000 b/d Crude Unit and 63,000 b/d Vacuum Unit at 340,000 b/d Corpus Christi, Texas Refinery March 17**

Valero planned to briefly shut a 110,000 b/d crude unit and a 63,000 b/d vacuum unit to repair a leaking exchanger at its 340,000 b/d Corpus Christi, Texas refinery on March 17. The company expected the outages to last one day. A spokesman said "there should be no material impact" to production.

Reuters, 12:07 March 17, 2009

Bloomberg News, 13:16 March 17, 2009

## **SRU Snag at Alon's 67,000 b/d Big Spring, Texas Refinery March 16**

A sulfur recovery unit (SRU) snag forced shut an incinerator at Alon's 67,000 b/d Big Spring, Texas refinery on March 16, the company said in a filing with state regulators. A spokesman said the incident did not impact production.

Reuters, 12:02 March 17, 2009

Bloomberg News, 13:03 March 17, 2009

## **Natural Gas**

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Nothing to report.

## **Other News**

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### **State DEQ to Extinguish Coal Seam Fires in Eastern Montana**

The Montana Department of Environmental Quality (DEQ) has located at least nine coal seam fires in eastern Montana, and is requesting information on other potential sites. The DEQ, alongside the Montana Department of Natural Resources and Conservation and the Federal Bureau of Land Management, expects to perform environmental assessments and establish plans to extinguish the fires in the spring and summer of 2009.

<http://www.missoulian.com/articles/2009/03/16/bnews/br63.txt>

### **Peabody Energy to Develop 8 Million Ton/Year Bear Run Coal Mine in Indiana**

The long-term coal supply agreements entered into by Peabody Energy for more than 90 million tons of coal will allow the company to proceed with development of its planned 8 million ton/year Bear Run coal mine in Indiana, the company said today. Peabody plans to begin operations during the second half of 2009, produce 2 to 3 million tons of coal in 2010, and eventually increase output to 8 million tons/year. Bear Run will be the largest surface coal mine in the United States, the company said in a release.

<http://phx.corporate-ir.net/phoenix.zhtml?c=129849&p=irol-newsArticle&ID=1266889&highlight=>

## **Energy Prices**

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<b>U.S. Oil and Gas Prices</b>			
March 17, 2009			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	48.53	47.66	106.06
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	3.78	3.86	9.84
\$/Million Btu			

Source: Reuters

### **Duke Energy Reports 23,257 Customers without Power in Ohio March 16**

As of 3:05 PM: <http://www.duke-energy.com/ohio/outages/current.asp>

### **Wind Storm Cuts Power to Nearly 12,000 Avista Customers in Washington State March 15—Power Restored within Hours**

[http://www.kxly.com/Global/story.asp?S=10017533&nav=menu683\\_3](http://www.kxly.com/Global/story.asp?S=10017533&nav=menu683_3)

<http://www.istockanalyst.com/article/viewiStockNews/articleid/3121759>

### **Update: Edison Mission Group Opens 80 MW Elkhorn Ridge Wind Farm in Nebraska**

<http://www.edison.com/pressroom/pr.asp?bu=&year=0&id=7193>

### **PECO Plans \$400 Million in Electric and Gas Infrastructure Improvements, New Facilities in Pennsylvania**

<http://phx.corporate-ir.net/phoenix.zhtml?c=124298&p=irol-newsArticle&ID=1266371&highlight=>

### **SCE Invests in Program to Test, Prepare for Integration of Electric Vehicles into California Fleet**

[http://www.usatoday.com/money/industries/energy/2009-03-15-plug-in-electric-cars\\_N.htm](http://www.usatoday.com/money/industries/energy/2009-03-15-plug-in-electric-cars_N.htm)

### **Operational Issues, Flaring Reported at Exxon Mobil's 567,000 b/d Baytown, Texas Refinery by March 16**

Bloomberg News, 17:15 March 16, 2009

### **Sunoco Shuts Leaking 6,000 b/d, 12-inch, Hearne-Comyn, Texas Oil Pipeline by March 17**

Bloomberg News, 11:57 March 17, 2009

### **Gas Leak Forces Evacuation at Greka Energy Oil Facility in California—Workers Repair Leak, Responders Clear Scene within Hours**

<http://www.thedailysound.com/News/031309grekagasleak>

### **Update: Holly, USW Workers Reach Labor Deal at 25,050 b/d Woods Cross, Utah Refinery**

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=15608](http://www.downstreamtoday.com/news/article.aspx?a_id=15608)

### **Compressor Alarm, Brief Flaring at Waha Gas Plant in Texas March 16**

<http://www11.tceq.state.tx.us/oce/eei/index.cfm?fuseaction=main.getDetails&target=121382>

### **Update: Indiana House Passes Bill Authorizing State to Purchase Natural Gas from Indiana Gasification's Proposed Coal-to-Gas Plant**

<http://www.courierpress.com/news/2009/mar/16/16WEBgasification/>

### **Update: FERC Indefinitely Extends Deadline to Answer Appeals to Approval of AES's Proposed Sparrows Point LNG Terminal and Associated Pipeline in Maryland and Pennsylvania**

[http://www.baltimoresun.com/news/local/baltimore\\_county/bal-lng0316.0.2805715.story](http://www.baltimoresun.com/news/local/baltimore_county/bal-lng0316.0.2805715.story)

[http://www.examiner.com/a-1908188~FERC\\_extends\\_appeal\\_deadline\\_for\\_Md\\_LNG\\_plant.html](http://www.examiner.com/a-1908188~FERC_extends_appeal_deadline_for_Md_LNG_plant.html)

### **Energy XXI's Cote de Mer Prospect in Louisiana Holds Resource Potential between 89-108 Bcfe, Company Says**

<http://ir.energyxxi.com/releasedetail.cfm?ReleaseID=371146>

### **Update: Pacific Trail Pipelines Receives Canadian Environmental Approval for Proposed 1 Bcf/d, 288-mile Kitimat to Summit Lake Natural Gas Pipeline Looping Project**

MKW, 20:56 March 16, 2009

**Mine Safety and Health Administration Issues Safety Warnings to 13 U.S. Coal Mines**

[http://www.google.com/hostednews/ap/article/ALeqM5j8x-4YRdabQhk\\_FMXlrpU2WRs9zAD96VB5CG2](http://www.google.com/hostednews/ap/article/ALeqM5j8x-4YRdabQhk_FMXlrpU2WRs9zAD96VB5CG2)

**Update: Bio-Tek Plans to Break Ground Next Month on Proposed Ethanol Plant in Minnesota**

<http://www.fayobserver.com/article?id=321261>

**Update: Nigerian Oil Exports Fall by 300,000 b/d, to Total 1.79 Million b/d in First Quarter of 2009 on Attack-Related Shut-ins—NNPC**

<http://allafrica.com/stories/200903170140.html>

**Update: Algeria Says Two New 120,000 b/d Oil Projects, Including El Merk Development, Will Replace Aging Fields and Maintain National Output at 1.4 Million b/d**

Reuters, 09:04 March 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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