



ENERGY ASSURANCE DAILY

Friday Evening, March 27, 2009

Electricity

Flooding in North Dakota Shuts Two Coal-Fired Power Plants March 27

Flooding in North Dakota has forced Basin Electric Power Cooperative Inc. to shut its 656 MW Leland Olds power plant and Great River Energy to shut its 190 MW Stanton coal-fired plant. The two plants were shut after a dam on the Missouri River was closed to ease flooding downstream in Bismarck, North Dakota. According to Basin Electric, power supplies to customers are not expected to be affected as peaking power plants in South Dakota with a combined capacity of 310 MW are being started up to make up for the loss of the Leland Olds plant. According to recent reports on March 27, the Army Corps of Engineers is again releasing water from the Garrison Dam. Great River Energy's 1,100 MW Coal Creek power plant, the largest in North Dakota, also relies on water from the Missouri River but was not impacted because it has a 12- to 14-day water reserve. The two shut plants represent about 17 percent of the total installed electricity capacity in North Dakota.

Bloomberg News, 15:58 March 27, 2009

http://www.kfyrtv.com/News_Stories.asp?news=28514

http://www.kmeg14.com/Global/story.asp?S=10076820&nav=menu609_2_5

Energy Information Administration

TVA's 2,251 MW Sequoyah Nuclear Plant in Tennessee Shut by March 27

According to a TVA spokesperson, both reactors at the company's Sequoyah Nuclear Plant quit generating power early morning March 26 when a transformer in the switchyard stopped supplying power to coolant pumps for the reactors. The problem forced an automatic shutdown of both the Sequoyah reactors.

Reuters, 07:57 March 27, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

APS's 1,243 MW Palo Verde Nuke Unit 1 in Arizona Reduced to 11 Percent by March 27

The unit was reduced to repair the cooling system. The Nuclear Regulatory Commission reported that on the morning of March 26 the unit was operating at full power.

<http://www.azcentral.com/business/news/articles/2009/03/27/20090327biz-paloverdebrief0328.html>

Reuters, 10:04 March 27, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

PG&E's 119 MW Belden Hydro Unit in California Returns to Service by March 26

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

<http://www.caiso.com/unitstatus/data/unitstatus200903261515.html>

SMUD's 102 MW Solano Wind Farm in California Shut by March 26

According to the California Independent System Operator, the unit experienced an unplanned outage by March 26.

<http://www.caiso.com/unitstatus/data/unitstatus200903261515.html>

Irving Oil Considering Building a 1,500 MW Power Line to Send Wind and Natural Gas Power to New England

Irving Oil, Canada's largest exporter of gasoline, is exploring the idea of constructing a 1,500 megawatt power line to New England and facilities to generate power from wind and natural gas. If the project proceeds, government officials envision the transmission line as part of an energy corridor connecting New Brunswick with the New England states.

http://www.chroniclejournal.com/stories_business.php?id=174487

Oak Ridge National Laboratory Demonstrates Superconductor Cable Set for Installation in Manhattan Next Year

Scientists at Oak Ridge National Laboratory demonstrated a superconductor cable that is set for installation in downtown Manhattan next year. Chilled by liquid nitrogen to minus-321 degrees Fahrenheit, the cable can carry up to 10 times more electricity than a copper cable of the same diameter. It also has a unique, built-in, surge suppressing capability. The new cable is designed to prevent terrorist attacks against the power grid and to prevent rolling blackouts by making the grid more flexible. The new cable is to be installed next year between two critical substations about 1,000 feet apart on Manhattan's west side.

<http://www.knoxnews.com/news/2009/mar/26/super-test-at-ornl/>

Mississippi Power's Proposed 582-MW IGCC Power Plant in Mississippi on Hold as Regulators Study the Need for Additional Power in the State

The Mississippi Public Service Commission (PSC) has received requests from two independent power producers seeking that suspension be placed on a request from Southern Company's Mississippi Power which is planning to build a \$2.2 billion 582 MW integrated gasification combined-cycle (IGCC) power plant proposed for Kemper County, Mississippi. The two utilities whom filed the suspension request argue Mississippi Power is seeking to build the new plant to take advantage of appropriate federal tax benefits before they expire, regardless of whether the state needs the new megawatts added to the grid. The PSC is currently studying statewide electric demand. Reuters, 13:55 March 26, 2009

Petroleum

Lightning Shuts Several Units at Motiva's 285,000 b/d Port Arthur, Texas Refinery March 25

Lightning led to a power outage at Motiva's Port Arthur refinery in Texas late March 25 during which a severe storm swept across southeast Texas. The lightning set off a flash fire at the refinery that was quickly extinguished. A refinery spokesperson said damage assessments are underway and units, specifically a catalytic cracker, are being prepared for restart. The storm caused a crude unit and two hydrotreaters to remain shut and a delayed coker is also not being operated as a result of the storm.

Bloomberg News, 11:05 March 26, 2009

Reuters, 19:01 March 26, 2009

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=121864>

Devon Expects Hurricane-Damaged Bonito Crude Pipeline System to Return in June

According to a spokeswoman for Devon Energy, the company is expecting some 9,000-10,000 b/d of crude supply to return to its US Gulf of Mexico Bonito Pipeline system in June if platforms contributing to the system before hurricanes last September return to service. A small amount of Bonito production is expected to be lost permanently.

<http://www.platts.com/Oil/News/6228610.xml?p=Oil/News&sub=Oil>

Natural Gas

Dominion Puts 700 MMcf/d Cove Point LNG Import Terminal Expansion Project into Full Commercial Service March 26

Dominion announced that its Dominion Cove Point Expansion project went into full commercial service on March 26. Output capacity for the liquefied natural gas plant on the Chesapeake Bay in Maryland has increased by 80 percent to 1.8 million dekatherms (1.7 billion cubic feet) of natural gas per day. LNG storage capacity has nearly doubled to 14.6 billion cubic feet equivalent (Bcfe).

<http://www.dom.com/news/gas2009/pr0327.jsp>

Japan Announces Big Cuts in LNG Purchases in 2009 due to Recession; Traders Expect Flood of LNG to Atlantic Basin

<http://uk.reuters.com/article/oilRpt/idUKN1049321420090326>

Other News

U.S. Raises Auto Fuel-Economy to 27.3 Miles per Gallon for 2011

Secretary of Transportation LaHood announced today that the Department of Transportation has posted the new fuel economy standards for cars and light trucks for the 2011 model year. The new standards will raise the industry-wide combined average to 27.3 miles per gallon (a 2.0 mpg increase over the 2010 model year average), as estimated by the National Highway Traffic Safety Administration (NHTSA).

<http://www.dot.gov/affairs/dot3609.htm>

Energy Prices

U.S. Oil and Gas Prices			
March 27, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	52.09	51.68	106.94
NATURAL GAS Henry Hub \$/Million Btu	4.16	3.68	9.25

Source: Reuters

Energy Notes

National Energy Board Approves 93-Mile Redwillow Natural Gas Pipeline Project to be Located in Alberta

<http://www.cnw.ca/en/releases/archive/March2009/26/c4706.html>

<http://www.semcams.com/majorprojects/redwillow.aspx>

Tesla Motors Introduces Four-Door Electric Sedan to Run 300-Miles on Single Charge

http://www.teslamotors.com/media/press_room.php?id=1284

Heavy Winds Knock Out Power to About 12,000 Salt River Project and 1,200 APS Customers in Arizona March 26

http://www.abc15.com/content/weather/stories/story/Heavy-wind-causes-power-outages-affects-Sky-Harbor/r3lsaIRJfU2buQICt_HMVw.csp

Obama Administration Announces \$3.2 Billion in Funding for Local Energy Efficiency Improvements

<http://www.energy.gov/recovery/>

Carlsbad, New Mexico Mayor to Push Local Salt Beds for National Nuclear Storage Site to Replace Abandoned Yucca Mountain Project

<http://www.lasvegassun.com/news/2009/mar/26/some-suggest-nm-area-could-replace-yucca-mountain/>

Work Underway on Rocky Mountain Power's 135-Mile High-Voltage Transmission Line from Downey, Idaho to Salt Lake City, Utah

<http://www.deseretnews.com/article/1.5143.705293181.00.html>

Steel Delivery Setbacks Have Delayed by 6-months Completion of NPPD's Electric Transmission Reliability Project in Nebraska

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=12286935

NRC Finds Piping System Violation at Millstone Nuclear Power Plant in Connecticut

<http://www.wtop.com/?nid=104&sid=1633614>

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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