



ENERGY ASSURANCE DAILY

Thursday Evening, March 28, 2013

Electricity

Update: TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Restarts, Ramps Up to 14 Percent by March 28

Browns Ferry 1 is returning from an outage that began March 19, when operators manually scrammed the reactor due to lowering main condenser vacuum, which was caused by a significant leak on the 1C feedwater heater level control line. On the morning of March 27 the unit was not operating.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Update: OPPD Hopes to Place Its 478 MW Fort Calhoun Nuclear Power Plant in Nebraska Back in Service by Late May

The Omaha Public Power District (OPPD) on Wednesday said it hopes to resume generating power at its Fort Calhoun Nuclear Station in just over two months, operators said in a public meeting with the U.S. Nuclear Regulatory Commission (NRC) on Wednesday. The plant has been shut since April 2011 due to damage caused by flooding and a series of safety violations discovered during subsequent inspections. OPPD claims it has made significant progress to correct a long list of safety concerns raised by the NRC, and the utility now expects to load fuel in the reactor by mid-April, heat up the reactor by mid-May, and place the reactor back in service by late May. NRC officials acknowledged the utility's "measurable progress" on several issues, and they did not specifically critique the utility's proposed restart date, but they said a significant number of items have yet to be addressed.

<http://www.omaha.com/article/20130326/NEWS/703279898>

<http://www.omaha.com/article/20130328/NEWS/703289864/1707>

NRC Cites Xcel's 522 MW Prairie Island Nuclear Unit 1 in Minnesota for Failing to Quickly Repair a High Range Vent Gas Radiation Detector

The U.S. Nuclear Regulatory Commission (NRC) on Tuesday announced that it has issued a violation to Xcel Energy's Prairie Island Nuclear Generating Plant Unit 1 that will result in additional oversight. During a December 2012 inspection, NRC staff observed that the plant had failed to prioritize the repair of a high range vent gas radiation detector, which is used to help determine if an incident should be classified as a General or Site Area Emergency, the two highest of the NRC's emergency classifications. In December the detector was out of service, and operators had put alternative methods in place to classify and declare a General or Site Area Emergency. NRC staff were concerned that operators hadn't prioritized repairing the detector, and issued a "white" inspection citation of low-to-moderate safety significance. Operators have since repaired the detector, returned it to service, and taken corrective actions to better assess emergency equipment failures.

<http://www.nrc.gov/reading-rm/doc-collections/news/2013/13-008.iii.pdf>

Lone Star Transmission Energizes 330 Miles of New 345-kV Transmission Lines in Texas

Lone Star Transmission, LLC, an indirect, wholly-owned subsidiary of NextEra Energy, Inc., today announced that it has completed energizing approximately 330 miles of new 345-kV transmission lines and associated transmission facilities. The project, which includes four circuits and five substations, stretches from Scurry County, northwest of Abilene to Navarro County, just south of Dallas. Lone Star's transmission lines are one part of a transmission grid improvement program that will add approximately 2,300 miles of 345-kV lines to deliver power from the Competitive Renewable Energy Zones in west Texas and the Texas panhandle to the Dallas/Fort Worth area and other population centers in Texas.

<http://www.nexteraenergyresources.com/news/contents/2013/032813.shtml>

TVA Identifies Preferred Route for New Extension of 161-kV Belfast-Elk Ridge Transmission Line in Tennessee

The Tennessee Valley Authority (TVA) on Tuesday reported it has identified a preferred route for a new transmission line in Marshall County, Tennessee. The 4-mile transmission line, which would extend from the 161-kV Belfast-Elk Ridge transmission line, would provide power to a new 161-kV substation owned by the Duck River Electric Membership Corporation. About two-thirds of the line would use existing right of way or parallel existing lines. TVA is expected to perform field and environmental surveys this year and start acquiring easements during the winter of 2013–2014. Construction is scheduled to begin in mid-2014 and complete in December 2014.

<http://www.tva.com/news/releases/janmar13/cornersville.html>

http://www.tva.com/power/projects/cornersville_tn/index.htm

BPA Proposes Rebuilding 115-kV Lane-Wendson Transmission Line in Oregon

The Bonneville Power Administration (BPA) on March 21 announced it will hold public meetings next month to review its proposal to rebuild the 41-mile Lane-Wendson transmission line in Lane County, Oregon. The 115-kV wood-pole line was built in 1948, and now the wood poles, wires, and associated parts need to be replaced. BPA is currently preparing an environmental assessment and working to determine how the project may impact local stakeholders. If BPA decides to proceed with the project, construction would begin in the summer of 2015.

<http://www.bpa.gov/goto/LaneWendson>

<http://www.bpa.gov/news/newsroom/releases/Pages/default.aspx>

BPA Releases Draft EIS for Proposed 115-kV Hooper Springs Transmission Project in Idaho

The Bonneville Power Administration (BPA) on March 20 announced it will hold a public meeting next month to review its proposal to build a new 115-kV transmission line and supporting infrastructure in Caribou County, Idaho. The Hooper Springs Transmission Project would run from a proposed new BPA Hooper Springs Substation near the city of Soda Springs, Idaho to a proposed BPA connection facility that would tie in Lower Valley Energy's existing transmission system in northeastern Caribou County. To connect the new line to the regional transmission grid, BPA also would construct a half-mile long line between the proposed Hooper Springs Substation and PacifiCorp's existing Threemile Knoll Substation. A draft environmental impact statement is now complete. BPA is also considering not building the transmission lines and supporting infrastructure.

http://efw.bpa.gov/environmental_services/Document_Library/HooperSprings/

<http://www.bpa.gov/news/newsroom/releases/Pages/default.aspx>

ComEd Activates New 'Smart' Substation in Chicago as Part of Grid Modernization Program

ComEd on Wednesday announced that it has completed digital upgrades to a substation that will help improve reliability for approximately 28,000 ComEd customers on the South Side of Chicago. The Wallace "smart substation," uses technology to reduce the frequency and duration of power outages by improving the utility's ability to monitor the electrical system and respond quickly to potential issues, rather than reacting to problems after they occur. The Wallace smart substation is equipped with sensors that can help prevent power outages by analyzing up to 1,500 pieces of information every two seconds and can alert ComEd system operators when, or even before, problems arise. ComEd will transform 10 substations into smart substations over the next five years. Under Smart Grid law enacted by the Illinois General Assembly in 2011, ComEd is investing \$2.6 billion over 10 years to improve its infrastructure and add smart technologies. Major accomplishments in 2012 included:

- Installing over 470 distribution automation devices, or "smart switches";
- Replacing or treating more than 464 miles of underground residential cable;
- Replacing over 46 miles of mainline cable;
- Assessing over 8,000 manholes and refurbishing more than 4,500; and
- Replacing or reinforcing more than 2,700 wood poles.

https://www.comed.com/newsroom/news-releases/Pages/newsroomreleases_03272013b.pdf

Canadian Pacific Train Hauling Canadian Crude Oil from Alberta to Chicago Derails, Spills Up to 30,000 Gallons of Crude in Minnesota March 27

Fourteen cars on a 94-car Canadian Pacific train hauling crude oil from Alberta, Canada and bound for Chicago derailed in western Minnesota on Wednesday morning, leaking 20,000–30,000 gallons of crude. The mixed-freight train was headed south near Parkers Prairie when it lost air pressure and went into an emergency braking mode, local officials said. The exact cause of the derailment is under investigation. Canadian Pacific Railway Ltd (CP) said only one 26,000-gallon tank car had ruptured, but the Minnesota Pollution Control Agency said up to three tank cars ruptured and an estimated 20,000 to 30,000 gallons leaked.

<http://tvnz.co.nz/world-news/train-hauling-canadian-oil-derails-in-minnesota-5389312>

http://www.cbsnews.com/8301-201_162-57576704/train-cars-derail-in-minnesota-spill-crude-oil/

<http://www.hydrocarbonprocessing.com/Article/3182414/Latest-News/Canadian-Pacific-train-derails-in-US-spilling-crude.html>

Update: ExxonMobil Reports Normal Operations at Its 149,500 b/d Torrance, California Refinery after Completing Repairs by March 27

ExxonMobil Corp. reported its Torrance refinery was operating normally on Wednesday after operators completed work on a unit that malfunctioned on March 12, according to a company spokeswoman. Operators had reported a “temporary equipment mechanical issue” on an unspecified unit.

Reuters, 20:22 March 27, 2013

Imperial Says Small, Brief Fire at Its 121,000 b/d Sarnia, Ontario Refinery Had No Impact on Operations March 27; Restarts Coker Unit after Maintenance by March 28

Imperial Oil Ltd. said a small fire at its Sarnia refinery was quickly extinguished with no impact on operations. Operators resumed their work to restore normal operations following maintenance unrelated to the fire, including returning a coker unit to normal operations. Restart procedures were expected to cause excess emissions from the refinery.

Reuters, 13:33 March 27, 2013

<http://www.theobserver.ca/2013/03/28/imperial-oil-restarts-coker-unit>

Update: Inter Pipeline Executes Definitive Transportation Agreements to Support Its Expansion of Cold Lake and Polaris Pipeline Systems

Inter Pipeline Fund on Tuesday announced that it has entered into binding agreements to provide bitumen blend and diluent transportation services to three major oilsands projects owned by the FCCL Partnership, a joint venture between Cenovus Energy and ConocoPhillips. Inter Pipeline first announced plans to integrate and expand its Cold Lake and Polaris pipeline systems in July 2012. Development plans include providing 500,000 b/d of committed bitumen blend capacity and 350,000 b/d of diluent capacity to FCCL through the construction of approximately 840 kilometers of new pipeline and 7 new pump stations. These facilities will provide transportation service to existing FCCL projects at Foster Creek and Christina Lake, as well as the Narrows Lake project which is under development. Inter Pipeline anticipates that the new diluent delivery infrastructure for the Foster Creek and Christina Lake projects will become operational in mid-2014. Expanded bitumen blend transportation service for the Foster Creek project is expected to commence in early 2015. New bitumen blend and diluent delivery facilities for the Narrows Lake project are expected to enter service in mid-2017.

<http://www.interpipelinefund.com/news/news-releases.cfm?newsReleaseAction=view&releaseId=133>

<http://www.bloomberg.com/news/2013-03-26/inter-pipeline-boosts-line-expansion-cost-to-2-6-billion.html>

Update: Suncor Cancels Its 200,000 b/d Voyageur Oilsands Upgrader Project in Alberta Due to Poor Economics

Suncor Energy on Wednesday announced it has cancelled its long-delayed and partially built Voyageur upgrader project, a joint venture project with Total E&P Canada Ltd., citing a “significantly changed” North American oil market that challenged the economics of the project. Suncor and Total had in 2010 announced plans to jointly construct the once abandoned, 200,000 b/d Voyageur upgrader project, but later delayed the project due to poor economics caused by surging North American production of light oil and condensates, including increasing volumes from the North Dakota Bakken region.

<http://www.suncor.com/en/newsroom/2418.aspx?id=1746228>

<http://www.total.com/en/about-total/news/news-940500.html&idActu=2951>

Update: FPL Installing a 24-Inch Natural Gas Pipeline to Supply Its 1,250 MW Natural Gas-Fired Riviera Beach Power Plant Under Construction in Florida

Florida Power & Light (FPL) reported that the 24-inch natural gas pipeline it's building to provide supply to its new Riviera Beach Next Generation Clean Energy Center, also under construction, is 40 percent complete, according to a project manager. The pipeline will extend approximately 38 miles from FPL's Martin County gas processing plant to the new 1,250 MW Riviera Beach natural gas-fired power plant, which will replace a previous oil- and natural gas-fired plant demolished in June 2011 and is expected to go into service in mid-2014.

<http://www.fpl.com/environment/plant/riviera.shtml>

http://www.downstreamtoday.com/news/article.aspx?a_id=39043

Unit Shutdown Causes Emissions at ExxonMobil's 65 MMcf/d Dollarhide Gas Plant in Texas March 25

ExxonMobil Corp. report that the Cat-3 Unit at its Dollarhide plant went down on high discharge pressure Monday morning and would not restart, according to a filing with the Texas Commission on Environmental Quality. Emissions related to the incident continued until the following morning.

<http://www11.tceq.state.tx.us/oce/eei/index.cfm?fuseaction=main.getDetails&target=180845>

Other News

New Study Links Unusual Earthquakes in Oklahoma to Wastewater Injection at Depleted Oil Wells

A new study by researchers from Columbia University and the U.S. Geological Survey ties a string of unusual earthquakes in central Oklahoma, including the largest earthquake ever recorded in the state, to the injection of wastewater deep underground. Wastewater is used both in hydraulic fracturing, which cracks open rocks to release natural gas, and in coaxing petroleum out of conventional oil wells. In both cases, the brine and chemical-laced water is often disposed of by injecting it back underground elsewhere. The study links the magnitude 5.7 earthquake that occurred near Prague, Oklahoma on November 6, 2011 to the injection of wastewater pumped into a set of depleted oil wells targeted for waste storage. The study notes also that a rising number of quakes in normally calm parts of Arkansas, Texas, Ohio, and Colorado have been linked to below-ground injection.

<http://www.ldeo.columbia.edu/news-events/wastewater-injection-spurred-biggest-earthquake-yet-says-study>

<http://geology.gsapubs.org/content/early/2013/03/26/G34045.1.full.pdf+html>

Update: Science Advisory Board Announces Independent Panel to Review EPA's Ongoing Hydraulic Fracturing Study

The U.S. Environmental Protection Agency (EPA) on Monday announced its independent Science Advisory Board (SAB) has formed a Hydraulic Fracturing Research Advisory Panel. This panel of independent experts will peer review EPA's 2014 draft report of results for its national study on any potential impacts of hydraulic fracturing on drinking water resources. In March 2010, EPA announced its intention to conduct the study in response to a request from Congress.

<http://yosemite.epa.gov/opa/admpress.nsf/OpenDocument>

Employee Steals \$300,000 in Scrap Metal Copper from KenMor Electric Incorporated in Texas 2012-2013

<http://www.khou.com/news/local/HPD--VP-of-KenMor-Electric-stole-sold-more-than-300000-in-copper-from-job-199900061.html>

International News

First South Sudan Oil Exports to Reach Port Sudan in Mid-May; Analysts Say It May Take a Year for South Sudan to Reach Pre-Shutdown Oil Production Levels

South Sudan may take as long as a year to reach pre-shutdown production levels because of possible damage to equipment, analysts said. South Sudan on March 12 agreed to restart pumping crude and exporting via neighboring Sudan after the two countries resolved a dispute over transit fees that has halted the flow of 350,000 b/d since January 2012. South Sudan expects to resume output by March 31, and the country's first oil exports are expected to arrive at Sudan's Red Sea export terminal in Port Sudan by mid-May. Export volumes are expected to slowly increase after the first arrival of oil at the port.

Reuters, 11:14 March 28, 2013

<http://www.bloomberg.com/news/2013-03-27/south-sudan-may-take-until-2014-to-reach-pre-shutdown-oil-output.html>

Energy Prices

U.S. Oil and Gas Prices			
March 28, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	96.64	92.97	105.01
NATURAL GAS Henry Hub \$/Million Btu	4.08	3.97	2.09

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 ET every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM ET every Thursday.

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

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